THE CHINA WEEKLY

REVIEW

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The Mission and Work of the Third Kuomintang Congress

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Liberalism in Japan

By John S. Burgess

密勒氏評論報

SATURDAY, MARCH 16, 1929

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Vol. XLVIII No. 3.

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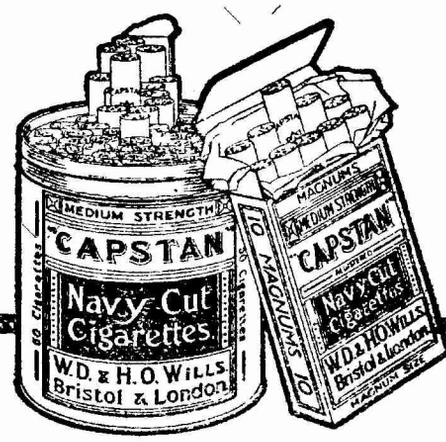

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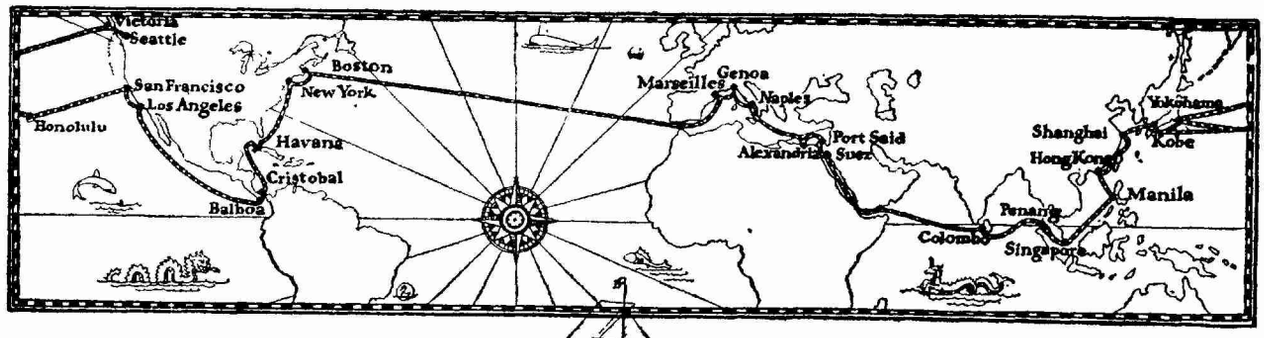

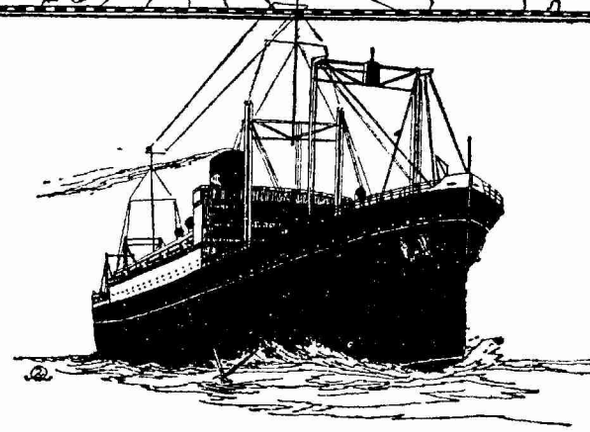

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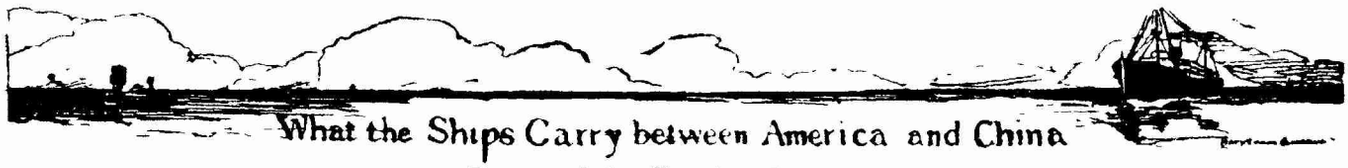

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To U. S. A.

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Silk, Raw, Reeled from Doupions: Shanghai	Bls. 20	,, 20.00
Silk, Raw, Filature: Wild Dairen, etc.	Bls. 30	,, 339.21
Antimony Regulus		,, 1,680
Cotton Rags		,, 718
Egg Albumen, Dried		,, 30
Jute, Waste		,, 1,292
Brassware		,, 46
Nutgalls		,, 1,478
Tallow, Vegetable		,, 419

TUSCALOOSA CITY, Jan. 19.
From U. S. A.

Iron, Ungalvanized: Nails, Wire		Pls. 1,575
Iron, Wire Shorts		,, 416
Steel Sheets, under 1/8 in. thick		,, 1,822
Steel, Galvanized: Sheets, Plain		,, 874
Tinned Plates, Plain		,, 7,660
Zinc Sheets		,, 24
Lead-foil and Tinfoil Mixture		,, 480
Flour, Corn		,, 1,155
Tobacco, Leaf		,, 6,235
Tobacco, Stalk		,, 187
Chestnut Extract, Powdered		,, 75
Wax, Paraffin		,, 663

TEUCER, Jan. 21.
From U. S. A.

Aluminium-foil		Pls. 2
Steel Plates		,, 97
Steel, Galvanized: Sheets, Plain		,, 125
Wire Shorts		,, 343
Tinned Plates, Plain		,, 1,440
Tinned Plates, Old		,, 336
Cuttle-fish		,, 94
Fibre Sheets		,, 11
Flour, Wheat		,, 5,696
Grease		,, 478
Paper Coated		,, 784
Petrolatum, White		,, 453
Tobacco, Leaf		,, 12,143
Tobacco, Prepared		,, 2
Wax, Paraffin		,, 49
Stockings	Doz.	120
Cigarettes	Mille	50
Cigars	,,	21
Oil, Fuel	Galls.	375
Oil, Lubricating, Mineral	,,	130,697
Oil, Lubricating, other kinds	,,	13,967
Oil, Transformer	,,	3,000
Oil, Unclassed	,,	9,166
Paints: Enamels	,,	96
Unclassed	,,	3,000
Varnishes	,,	141
Machinery	Hk. Tls.	21,856
Motor-cars, Parts of	,,	339

CHIEF CAPILANO, Jan. 21.
From U. S. A.

Timber: Softwood, Merchantable	Sup. ft.	67,187

JAVANESE PRINCE, Jan. 21.
From U. S. A.

Cotton Molleton	Yds.	92
Aluminium-foil	Pls.	73
Lead-foil and Tinfoil Mixtude	,,	1,137
Steel Pipe Fittings	,,	12
Tinned Plates, Old	,,	428
Cuttle-fish	,,	210
Dextrine	,,	504
Fibre Sheets	,,	9
Glucose	,,	1,965
Gum, Unclassed	,,	10
Indigo Paste, Artificial: 20 per cent. strength	,,	202
50 per cent. strength	,,	402
Oakum	,,	18
Paper, Coated	,,	1,718
Paper, Unclassed	,,	42
Petrolatum, White	,,	29
Soda, Caustic	,,	840
Starch	,,	473
Sulphur Black	,,	221
Tobacco, Leaf	,,	21,893
Tobacco, Prepared	,,	22
Tobacco, Stalk	,,	765
Oilcloth	Pcs.	300
India-rubber Belts	Doz.	120
Shoes	Paris	5,808
Cigarettes	Mille	150,050
Paints: Enamels	Galls.	120
Unclassed	,,	30
Infants' Food	Hk. Tls.	1,701
Machinery	,,	30,918
Motor-cars, Parts of	,,	2,096
Motor-trucks, Parts of	,,	157
Treasure: Silver Bars	,,	1,340,413

Latest New York Stock Exchange Quotations

Swan, Culbertson & Fritz. Tel. 18891-18990 March 13.
Market nervous on possibility of advancing discount rate. Business done, 3,741,300 Shares.

STOCK	Wed. Jan. 2	Saturday Mar. 9	Monday Mar. 11
Alleghany Corp		35⅛	34¼
Allied Chemical & Dye (Com.)	255	287½	280½
American Can (Common)	112⅛	119	115⅜
American Locomotive (Com)			115
American Smelting	292	115	112¼
American Telephone & Tel. (Com.)	195	214⅝	212½
American Tobacco "B"	178⅛	173	171½
Armour & Co. "A"	17⅞	14½	14⅜
Armour & Co. (Ill.) 7% Pfd.	83½	82	81
Anaconda Copper	118½	156½	151¾
Andes Copper		62½	60⅝
Baltimor & Ohio		129	125½
Bank of Montreal	395	367	362
Bethlehem Steel (Common)	88	101¼	98⅜
Calumet & Hecla	48⅛	56½	55¾
Campe Corp.	100	97	97
Canadian Pacific Railway	245¾	247½	244⅞
Chrysler	133¼	111	106⅝
Consolidated Gas of New York	108¼	106⅝	104⅝
Coty Incorporated	76	63⅛	64
Curtis Flying Service		23⅝	23¼
Davison Chemical	62	66	63
Dry Docks		21½	21½
Du Pont de Nemours E. I. (Com.)	504	180¾	178
Eastman Kodak	182¾	181¼	181½
Fox Film "A"		91⅛	90½
General Electric Co.	245¼	237	230⅛
General Motors	192⅞	81¼	80½
General Railway Signal (Com.)	102½	106½	105⅞
Gold Dust	146	71	69
Goodrich Rubber		93⅜	92
Granby Consolidated	91	90¼	90
Haygart	48	Mut.	69⅞
International Cement (Common)	95⅛	94	92½
International Match, Pfd.	95⅜	88⅜	88½
International Nickel (Common)	45⅞	61½	60⅛
International Printers Ink	59½	57¼	57⅜
International Products Corp. (Com.	13	None	None
Kelvinator	16¾	15⅛	15½
Kennecott Copper	158	99⅜	95
Liggett & Myers, Class "B"	92⅞	90½	90
Mack Trucks	111¼	107	105½
Madison Square Garden	21½	22	22
Mathieson Alkali		194	Mut.
Missouri Pacific (Com.)	67⅞	83⅛	82
National Dairy Products	128	130⅜	129
Nevada Consolidated Coppor		58	56½
New York Central Railroad		190⅝	188⅝
Norfolk & Western		194	192¾
North American Aviation		15½	15⅜
Pacific Gas & Electric Co.	54	56½	56
Packard Motor Car Co. (Com)	151¼	139	135¼
Pennsylvania Railroad	78⅛	77¾	77
Phillips Petroleum	46½	38½	38
Radio Corporation	394¾	461	451
Reynolds Tobacco, "B"	57	59½	58⅛
Shell Union Oil		26½	26½
Southern Pacific Railway		129¾	128¾
Standard Gas & Electric (Com)	87	88¼	87½
Standard Oil of New Jersey	54¾	49⅜	48¾
Standard Oil of New York	44⅞	39⅞	39½
Texas Corporation (Common)	67⅞	60	59⅝
Texas Gulf Sulphur	81	73¼	72¼
Timken Roller Bearing	148¾	80⅞	79¾
Trans-America Corp.		138⅜	137½
Union Carbide	206⅞	212⅞	213
Union Pacific Railroad (Com)	218½	224⅛	223½
U. S. Inter. Security Pfd.	100	98	96
United States Leather "A"	59¾	50½	50
United States Realty & Imp Co.	84	91	90½
United States Steel	162¾	185¼	180⅞
Vanadium Oil		121	119½
Vanadium Corp.	103	104½	102⅝
Westinghouse Elec. (Com)	143	154	149½
Willys Overland Co.	34	30	29⅝
Wright Aeronautical	270	270	264

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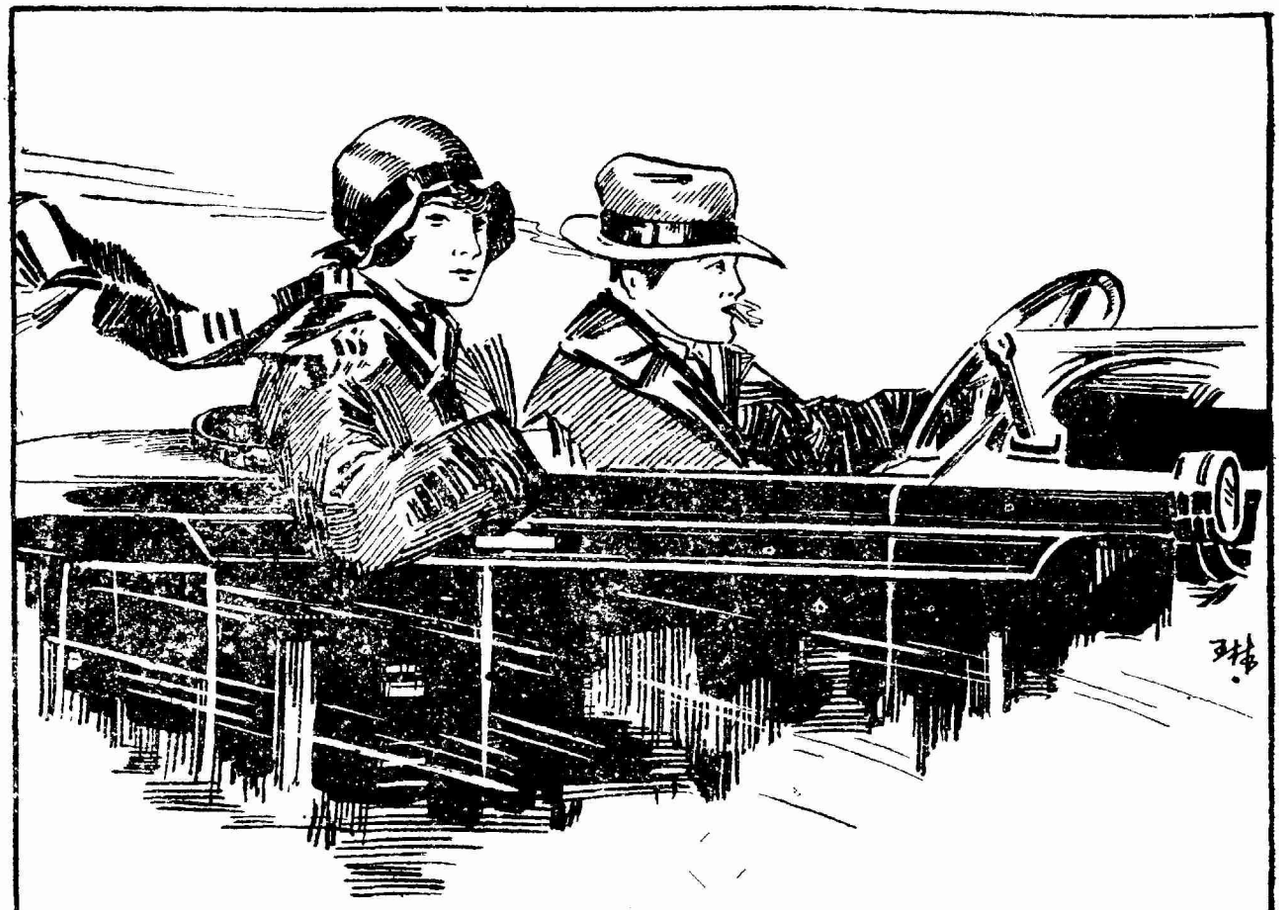

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* No. 11	d. 9.55	a.19.27 d.20 07	a.13.26 d.13.45	a.12.18 d.12.23	a.16.05
* No. 3			d.13.15	a. 7.18 d. 7.21	a. 9.50
No. 9	d. 9.40	a.18.21 d.19.01	a 10.50		
No. 23	d. 5.40	a 21.44			
No. 25		d. 3.45	a. 5.05		
No. 27			d.10.06	a.20.07 d.20.37	a. 2.33
No. 75				d.13.00	a.17.05

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Station / Train	Hankow	Hsiaokan-hsien	Chengchow	Shihkiachuan	Peiping
* No. 2	d.18.00	d.20.39	a.14.28 d.14.48	a. 5.05 d. 5.45	a.13.50
* No. 12	d.10.50	a.14.51 d.14.56	a 13.13 d.13.33	a. 7.32 d. 8.12	a.17.30
* No. 4	d.13.30	a 16.01 d.16.03	a.10.05		
No. 10			d.17.41	a. 9.33 d.10.13	a.18.35
No. 28	d. 1.00	a. 7.00 d. 7.20	a.17.34		
No. 26			d.22.34	a. 2.15	
No. 24				d. 7.40	a.20.06
No. 74	d. 7.45	a.11.39			

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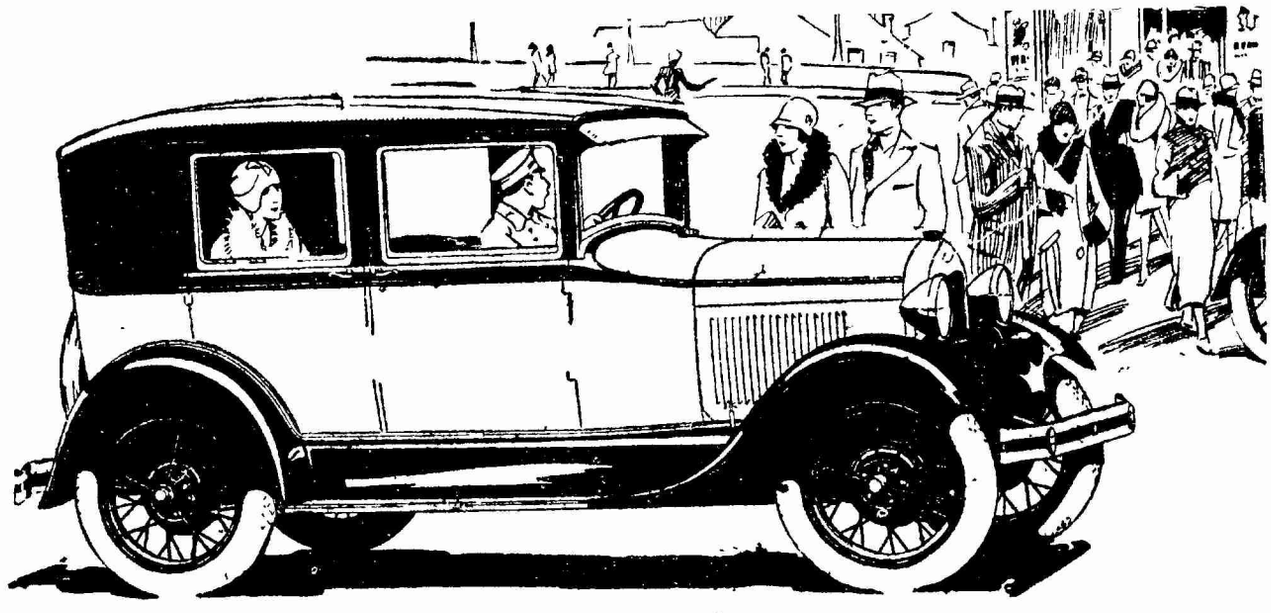

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CONTRIBUTING EDITORS

GEO. W. MISSEMER C. Y. W. MENG
CHAS. A. DAILEY (Peking), SAMUEL H. CHANG (S'hai),
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THE NEED FOR A MODERN PUBLICATION LAW

THERE IS HOPE that the complications which have resulted from the denial of mail privileges to the *North China Star*, the American paper in Tientsin, will finally have the effect of speeding up the announced intentions of the National Government in respect to the enactment of a modern newspaper and publications law. Several weeks ago it was announced that the Central Executive Committee of the Kuomintang had issued instructions for the drafting and enactment of modern regulations pertaining to the publication of newspapers and magazines, but although a considerable time has elapsed nothing further has been heard on the question. As stated, there is hope that the complications which have developed in connection with the denial of mail privileges to the American newspaper in Tientsin will have the effect of speeding up the enactment of regulations. According to reports which have been published in the local newspapers, the *Star* was notified that it would not be permitted to circulate through the mail, the letter from the postal authorities not giving the reason for the order. Later, however, it was announced from Nanking that the reason for the order was due to the publication in the *Star* of a *United Press* message from Peiping stating that serious political trouble was pending in North China, and that the *Star's* mail privileges would be restored shortly. Dr. C. J. Fox, publisher of the paper issued a statement to the effect that his paper had always been friendly toward the National Government and had he been previously informed of the reasons for suspension of mail priveleges, he would have published a correction and an apology if such were desired. The latest chapter in the *Star's* case was a *Reuter* message from Tientsin on March 11 stating that Senator Borah, Chairman of the Senate Foreign Relations Committee, when informed of the denial of mail priveleges to the American newspaper in Tientsin had remarked "that either a mistake must have been made or that the action taken was proof of the faithlessness of the trust reposed in the Nationalists. . ."

THERE IS NOTHING more greatly needed in China than a modern publications law that would regulate as well as encourage the publication of newspapers and magazines as a definite phase of the general reconstruction program. The Kuomintang has made elaborate preparations for the extension of general education among children and also among adults in connection with the campaign to reduce illiteracy. But for some reason the promoters of these movements have overlooked the importance of newspapers and magazines as the most

important vehicle of all in the promotion of literacy and the development of political unity. While there has been a considerable development of the newspaper and magazine publishing industry in Shanghai, it is no secret that the Chinese Republic is practically without modern newspapers, that is, as compared with other countries. There are only two newspapers in China, the *Shun Pao* and *Sin Wan Pao*, both published in Shanghai, which have circulations in excess of 150,000. In Japan, a much smaller country with a smaller population, there are a half-dozen newspapers with circulations in excess of 500,000. Two or three have circulations approximating 1,000,000 copies daily. In the early days of the United States the Government gave the newspapers special postal facilities that led to a tremendous growth of the publishing business. China should adopt similar legislation that would encourage men to invest their money in the newspaper publishing business to the end that encouragement would be given for the establishment of newspapers all over the country. All that is required is a definite, modern law that wonld guarantee the publisher against persecution at the hands of irresponsible officials and which would grant postage rates that would encourage the building-up of large circulations. This is all the publisher demands, for if given half a chance, he can obtain advertising revenues sufficient to make his publication profitable. One or two of the leading universities have recently established courses in journalism, the purpose being to train men for this important profession, but unless the National Government does something to put the publishing business on a stable basis *protected by known regulations*, there is no particular point in training men and women for this profession, which, obviously, should be looked upon as one of the most important phases of the program for reconstructing China into a modern nation.

EFFECTIVENESS OF THE CHINESE BOYCOTT

AN ORGANIZATION known as the National Anti-Japanese Association has just concluded its second annual conference in Shanghai, the full report of which appears elsewhere in this issue of *The Review*. According to the accounts which have appeared in the local Chinese newspapers, the chief attention of the delegates was devoted to the matter of making the boycott against Japanese goods more effective during the present year than prevailed last year. In view of the fact that the boycott was not effectively organized until the latter half of last year, it will not be possible to correctly guage the results of the boycott until later on this year, the reason being that Japanese firms which export to China continued their shipments to this country regardless of sales and permitted the merchandise to accumulate in the Japanese warehouses in Shanghai and the other Chinese ports, the incentive being to get all the goods possible into China before the coming into effect of the new Chinese tariff rates on February 1. Thus far there has been no accurate estimate of the effectiveness of the boycott last year, but the following by a Japanese writer in the *Japan Chronicle*, serves to give some general idea of the situation,

> First of all, we are convinced that if may not be appropriate to deal with the boycott situation, comparing only the export trade figures of 1928 with those of 1927 when Japan's export trade was killed, owing to the civil disturbance of China and the anti-Japanese boycott which broke out stimulated by the sending of the Japanese troops to Shantung in June of the same year.
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> In the second place, it should be pointed out that during last summer when the boycott movement reached its climax, ware houses of most Japanese shipping firms, especially in Shanghai, were filled with varieties of idle stocks unparalleled in volume these few years past.
>
> Third, it should be taken into consideration that Japan's exports to China in 1928 would have been greatly advanced in the light of the comparatively small exports in the preceding year, had it not been for the boycott.
>
> Fourth, it is propagated that certain commodities made in Japan have been replaced in the China markets by similar goods imported from other foreign countries.
>
> Frankly speaking, Japan's export trade to North and South China suffered a heavy loss mainly due to the civil disturbance and the boycott, while in Shanghai and the Yangtze ports, transactions in commodities were very far from satisfactory mainly due to the boycott, in spite of an increased gross import of Japanese goods in 1928 as compared with the preceding year.
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> For instance, in Shanghai, the distributing and consuming centre of mass commodities, the boycott torture was most severely carried out, affecting a serious blow to Japanese commodities. According to the investigation of the Shanghai Japanese Chamber of Commerce and Industry the following summarizes the situation:—
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> "During the five months ended November 30, cotton cloth imported from Japan totalled 10,154,517 pieces, as compared with 11,838,132 for the same period of 1927, or a loss of 15 per cent. English cloths imported totalled 2,452,455 pieces, an increase of 75 per cent. over the corresponding period of the previous year. The United States shipped 33,003 pieces or 390 per cent. more, and Germany sources were about 63,736 pieces, 480 per cent. more.
>
> Woollen, union and artificial silk goods fell as low as to 93,119 yards last year, as against 920,711 yards for the same period of the previous year, namely a loss of 990 per cent. while English goods were up by 287 per cent. and German by 340 per cent.
>
> Sugar was practically shut out last year, 15,894 piculs compared with 592,709 piculs, a loss of 97 per cent. Hongkong sugar was 202,207 piculs as compared with 221,224 for the same period of the previous year, but Java shipments increased about 30 per cent. to 2,309,015 piculs, as compared with 1,776,477, and Singapore 48 per cent. to 49,396 piculs compared with 33,269 for the corresponding period of last year.
>
> Printing paper increased 290 per cent. to 110,393 piculs, as compared with 39,643, the increase being caused by purchases in view of potential demand. But the total of the material imported from other sources is reported as 252,032 piculs, as against 132,453 for the same period of the previous year, 83 per cent. increase. Other classes of paper from Japan lost 20 per cent., but an increase of 10 per cent. is noted in shipments from other markets.
>
> Maritime products lost about 70 per cent., at 83,300 piculs, compared with 258,734, with rival goods 30 per cent. less at 232,643 piculs compared with 304,022.
>
> Heavy chemicals fared differently, for Japan's shipments totalled 62,424 piculs against 57,800 for the same period of the previous year, while similar goods from other sources were 30 per cent. down.
>
> Wood and timber account for 16,056,000 super feet against 11,056,000, about 29 per cent. increase compared with 55,728 for the corresponding period of the previous year, about 8 per cent. increase, the United States being up by 270 per cent. and Germany 350 per cent.
>
> The total value of Japanese machinery imported was Tls.354,959, a rise of 18 per cent., but an increase of 59 per cent. is noted in other countries with a total of Tls. 2,830,000.
>
> Aniline dyes lost about 50 per cent. with a total of Tls.15,461 against over Tls.24,000. Other Japanese dyes were down by 20 per cent., while rival goods gained 79 per cent.
>
> Coal is reported as 386,830 tons against 454,445 for the correspooding period of the previous year, a loss of 15 per cent. with an increase of 2 per cent. noted in consignments from other markets with a total of 905,000 tons against 885,000 for the previous period."
>
> In Tientsin, the great distributing centre in North China, the boycott was also staged on a grand scale, damaging Japanese commodities imported. For instance, cotton tissues were dealt a hard blow. The total volume of the Japanese cotton tissues imported into Tientsin during the October-December quarter, 1928, was 40,371 pieces, as compared with 62,040 pieces in the same quarter of the previous year, while cotton yarn totalled only 745 pieces during the same quarter in 1928, as compared with 14,666 pieces in the corresponding quarter in 1927.

In Hankow, the Chicago of China, the boycott movement presented itself most vigorous towards the fall of the year when the Japanese general piece goods suffered the hardest blow. However, it is noteworthy that such staple goods as cotton tissues, sugar and coal were comparatively in good demand some time, though these goods, it was so regarded, would have fared well, had it not been for the boycott. The import of the Japanese cotton goods in 1928 increased to 48,000 packages as compared with 44,000 in 1927 and 60,000 in 1926 respectively.

The import of Japanese sugar amouuted to some 700,000 piculs from January to September in 1928, as compared with some 400,000 piculs during the same quarter in 1927 with a considerable gain of some 650,000 piculs over Hongkong sugar in 1923.

THE MURDER OF YAMAMOTO, JAPAN'S LABOR LEADER

THE POLITICAL assassination of Mr. Senji Yamamoto, one of the outstanding Labor or proletarian leaders of the Japanese Diet, on March 7 at Tokyo, is likely to have far-reaching consequences in the domestic politics of Japan. The event is also of interest in China because Mr. Yamamoto fought for a square deal for this country, both as a member of the Diet and outside. His career, an account of which appeared in the *Osaka Mainichi* on March 8, was most dramatic. He was born in 1888 and was the son of the proprietor of a fashionable restaurant at Kyoto. At 18 he ran away from home and became a student of Marquis Okuma in Tokyo. He then went to America where for five years he worked as a dish-washer and waiter at Vancouver to earn money to pay his way through high school. He returned to Japan in 1912 and entered the Doshisha Middle School at Tokyo following which he attended the College of Science of Tokyo Imperial University from which he was graduated at the age of 32. He then took up the studdy of birth-control and sex-education and became a lecturer at the Medical College of the Imperial University. Later he became a member of the faculty of Kyoto University but was forced to resign because of a dispute with the college authorities. He was also prevented from teaching at Doshisha University and the Kikuka Girls High School at Fushimi because of police interference. He then joined the Farmer-Labor Party and was elected a Diet member in 1927. As the proprietor of the Yamamoto family landed estate in the Uji-Fushimi district he exempted all of his tenants from paying farm-rent, declaring that he himself had worked as a gardener and tenant-farmer in Canada. Mr. Yamamoto was murdered by a member of a reactionary political society, the name of the assassin being Kurodo, but according to the evidence he apparently had been put up to the job by someone "higher up." One of the Proletarian members of the Diet declared that Yamamoto's murder "was another bloody incident proving the use of terrorism by the ruling class." The incident has produced a deep sensation in political circles in Japan and as stated is likely to have far-reaching consequeneces in the domestic political situation in that country.

CHINA'S EFFORT TO PROTECT HER CITIZENS ABROAD

ELSEWHERE in this number of *The Review* appears an article by Mr. Frederick Hung on "Building Up China's National Defence" which is reproduced from *The China Critic* for March 7. The article is a frank discussion of the reasons for China's weakness from a military standpoint and thus constitutes a significant phase of efforts now being made to develop the country's national defenses. It was reported recently that the National Government had sent a representative to England to obtain technical assistance in the reorganization of the Chinese navy and while the British Government was prevented from extending the assistance which China desired owing to the terms of the Washington Conference naval understanding of 1922, there is no questioning the fact that China is in earnest on this question of building up her military strength, both on land and on the sea. The propaganda on this question which is now being spread throughout the country seems to have two general objectives, one being definite preparation for war with Japan and the other being a general argument for military strength as a means of protecting China's 12,000,000 citizens who reside abroad. The propaganda urging naval development which has been referred to previously in connection with recent addresses by Gen. Chiang Kai-shek, has received a fresh impetus on account of political agitation in the Union of South Africa pertaining to a legislative measure known as the "Color Bill" which classes the Chinese immigrants with the native African blacks as objects of political, social and economic discrimmation. In attempting to develop her military strength as a means of regaining her position of "equality" with other nations, China is following in the footsteps of Japan, which nation did not actually achieve equality and the abolition of the foreigners' special privileges until she had developed her military strength to a position where she was able to defeat both China and Russia. After the abolition of the Shogunate in Japan and the reestablishment of the mikado in full and practical authority, there followed a long period of propaganda and activity designed to eliminate the special privileges of the foreigners in Japan which were guaranteed in the treaties of 1854 and 1858 which placed restriction upon Japan's tariff and also established the system of extraterritoriality. Japan first sent a commission abroad in 1871 which was similar to the C. C. Wu-Sun Fo Commission which China sent abroad last year. The Japanese Commission of 1871 first visited the United States and succeeded in paving the way for American recognition of tariff autonomy and ultimately for relinquishment of extraterritoriality, but Japan did not succeed in gaining the respect of European nations until she had defeated both China and Russia. From present indications China is setting out along the same pathway toward military development and while it is impossible to forecast the future, it is unfortunate that those having charge of the machinery of diplomacy in the various world capitals do not have sufficient intelligence to re-read the history of Japan's struggles for equality as a possible precedent for what is likely to happen in respect to the future of this country.

DECENTRALIZATION OF TAXES IN JAPAN

THERE is significance in the fact that while China is fighthing for centralization of revenues, the present Japanese Government is staking its political life on a legislative measure which provides for decentralization, the so-called Tax-Transfer Bill. Since the present session of the Diet comes to a close before the end of the present month, there is a posssibility that the issue will be decided before this number of *The Review* is published, but briefly the Tax-Transfer Bill provides for the transferrance of the land-tax from the central government to the prefectural authorities. The amount of money involved is said to approximate Yen 130,000,-

000 annually. What the Government is trying to do is relieve the distress or so-called agrarian problem which exists in rural sections of Japan to such an extent as to often threaten revolution. The bill passed the Lower House by a small margin and at the time of writing was before the House of Peers. An article in *Japan Chronicle* on March 1 stated that the prospects of the bill passing the Upper House were problematical and in case it failed to pass, there is a liklihood of another general election. The opposition which has been raised in the House of Peers has been based on the proposition that the Government cannot afford to relinquish this considerable sum of money which is allegedly needed for Governmental projects, particularly military. In other words, they argue that if the Government is forced to relinquish Yen 130, 000,000 from the central revenues, where will the Government be able to find an equivalent sum for its naval program and other national projects. The Government is therefore between the devil and the sea because if it does not do something to relieve the agricultural distress there is possibility of continued discontent leading in the direction of revolution, while on the other hand, if the money is transferred from the central treasury to the local authorities, how can the Government maintain its position in the international naval race. The legislative fight over the Tax-Transfer Bill is therefore of much significance from the standpoint of Japan's domestic and external politics. It is also significant when considered in the light of conditions in China where the Central Government is fighting to "centralize" certain taxes which have heretofore gone to the provinces. Whereas everything in Japan has been centralized in the Tokyo Government, thus enabling the military clique in control to embark upon ambitious schemes for national aggrandizement, the situation in China has been almost entirely reversed. The Central Government has been starved and weakened to such an extent that it has been able to make no plans whatever for national defence or even for national welfare from the standpoint of reconstruction. Of interest in connection with the financial situation in Japan was a report by *Reuters* service from Tokyo on March 8 which stated that the attempt of the South Manchuria Railway Company to float a Yen 35,000,000 domestic loan in Japan has been highly unsatisfactory in that only some Yen 7,000,000 was subscribed which made it necessary for a syndicate of Japanese bankers to underwrite the balance of Yen 28,000,000. The same report stated that equally unsatisfactory results had been obtained in respect to two other large domestic issues, one being Yen 30,000,000 by the Tokyo Electric Company and Yen 10,000,000 by the Korean Development Bank. It was stated that the reason for the failure of these loans was due to the low interest rate, but from other sources there have been allegations of more deep-seated reasons:

The Shantung Case and the General Political Situation

THE *Peking Leader*, in a recent comment on the Chang Chung-chang adventure in Shantung and the general political situation, made the following statement,

> *"A certain amount of loose powder unquestionably is lying around—but not nearly as much as in previous springs. And there is a good deal more water ready at hand to pour on the powder than there was."*

Then proceeding to analyze the situation, the editor of the Peiping paper said, "All this does not mean that a new outbreak of civil war in China is impossible this spring. But it does mean that the liklihood of such a calamity is very much less than in recent years. And the chances are good that even if an open clash should come, it would be prevented from spreading so as to involve the whole country. The determination of the course of events lies with the military men. If they go ahead actively and steadily with carrying out the program for disbandment which has been laid down, it will be reasonably safe to say that civil wars, at least of serious proportions, are a thing of the past in China. Especially will this be true if the order is obeyed that all the arsenals should stop manufacturing war supplies of any kind on April 1. And the longer peace is maintained, more firmly the habit of peace—the habit of settling differences by discussion and not by arms—will be established."

To quote from the editorial in the *Peking Leader* there is no questioning the fact that "considerable powder is lying around" and that only a match is needed to set off the conflagration, but while this is true, it is also true that there is less reason for a political blow-up this year than for many years. From the standpoint of the squabble within the ranks of the Kuomintang that developed in Hunan province recently, there is actually no reason whatever for a resort to arms as a means of settling this issue. To use even stronger words, it would be nothing short of criminal if the Kuomintang leaders should fly at each other's throats over this Hunan situation. From a practical standpoint it probably would set the Nationalist cause back about five years from the standpoint of confidence which has been created both domestically and internationally. It would open the way for a renewal of radical agitation and worse would play into the hand of the Japanese imperialists who have been waiting for just this thing to happen.

What happened in Hunan was substantially as follows: Three division commanders, Generals Hu Tsung-tu, Hsia Wei and Tao Chun, got together and ousted Gen. Lu Tih-ping from his position as chairman of the Hunan provincial committee. Accounts from neutral observers in Changsha, the capital of Hunan, state that it was a regular old-fashioned military coup d'etat, the like of which has characterized Chinese domestic politics for several years. Gen. Lu was an appointee of the National Government and a political associate of Gen. Chiang Kai-shek. Immediately following the *coup d'etat* he fled to Nanking and accused the Wu-Han Branch Political Council of taking advantage of his political weakness while his troops were scattered over the province engaged in bandit suppression. On the other hand, Gen. Li Tsung-jen, head of the Wu-Han Branch Political Council, who was in Shanghai at the time of the incident, accused Gen. Lu of "tolerating bandits, sheltering Communists, usurping and abusing financial power, etc." From the Wu-Han side there also came charges that Gen. Chiang Kai-shek had been supplying Gen Lu Tih-ping with funds, supposedly for disbandment purposes, but actually for the alleged purpose of enabling Gen. Lu to strengthen his position in Hunan in order to embarrass the so-called Kwangsi faction in the Kuomintang which controls Hankow and Canton, Hunan province being located on the road connecting these two cities. From the standpoint of the Nanking or Chiang Kai-shek side, there have been

allegations that the Wu-Han or Kwangsi group actually intended to seize control of Kiangsi province, over which area Nanking has exercised control, and that these alleged designs of Wu-Han were frustrated by Gen. Chiang's despatch of a considerable force of troops to Wuhu, Kiukiang and Nanchang. Hankow,on the other hand, sent a considerable force to the town of Wusueh in Hupeh province, almost opposite Kiukiang on the Yangtsze River. Each side is reported to have approximately 100,000 troops in this vicinity, hence the possibilities for trouble.

Figuratively speaking this is the "powder that is lying around," but behind these troop movements are political principles which each side considers to be more or less fundamental. One of these is the question of abolishing the so-called Branch Political Councils at Hankow, Canton, Peiping, Kaifeng, Taiyuan, etc. The last plenary session of the Kuomintang Central Executive Committee fought out this question of the abolition of the branch political councils and decided to permit them to continue under certain restrictions until the Third National Kuomintang Congress, scheduled to meet in Nanking on the fifteenth of the present month. .The abolition of the branch political councils was demanded by the Cantonese or "leftist" group in the Party owing to the fear that a continuance of the branch councils would lead to a re-development of military feudalism. The Kwangsi politicians were said to have desired a continuance of the branch councils due to the fact that they prevent a too-great concentration of power in the Central Government, particularly from the standpoint of finance. Then in addition to these elements there is also the question of the re-participation in the Kuomintang of the so-called radical or "left" faction, composed largely of Cantonese who are supposed to be convinced of the necessity for a peasant-labor revolution as the sole means of reconstructing the Chinese state in accordance with the political principles of the late Dr. Sun Yat-sen. The Kwangsi faction in the Kuomintang which is composed chiefly of military men and politicians from Kwangsi province, are bitterly opposed to the readmission of the "left" faction, the leaders of which they accuse of being "communists in league with Moscow", etc. This fight between the Kwangsiites and the Cantonese is long-standing; in fact it is centuries-old and is based on the old fight between the Cantonese merchants and bankers and the population of the hinterland which includes Kwangsi province. There is undoubtedly some significance in the fact that the present crisis developed in Hunan province, because that province was the center of "red" activity and propaganda during the regime of the radical Kuomintang Government in Wu-Han in 1927. While there isn't a great deal of difference in the attitudes of the Chiang Kai-shek and Kwangsi groups from the standpoint of opposition to the so-called radical group, the Kwangsi adherents have on occasion accused Gen. Chiang and his associates of desiring to effect a compromise which would permit some of the "left" leaders to return to the party. While Gen. Chiang's attitude is not known, it is known that the National Government has felt the need of the cooperation of some of the more moderate of the "left" leaders in order to gain for the government the support of the labor unions and so-called peasant-labor classes who make up most of the population of the country. Recently an organization styling itself the "Chinese Aid Society" published and distributed a pamphlet entitled the *Chinese Record* which contained a detailed review of the so-called "white terror" which has prevailed in certain parts of the interior for the past year or more. This pamphlet alleged that from August, 1927 to November, 1928, some 8,635 persons have been arrested, 1,739 killed, 2,485 injured and 12,624 driven out of the country or into hiding in the foreign concessions. The pamphlet contained the stereotyped phrases "oppressed masses unite," "down with international imperialism," etc., which are familiar earmarks of radicalist propaganda all over the world.

All of these elements are factors in the internal politics of the Kuomintang, and while they are not always apparent on the surface, they are present nevertheless and have their manifestation in various ways in the domestic and external politics of the Kuomintang Party and the National Government. Undoubtedly they will be apparent in the forthcoming Third National Congress of the Kuomintang, for while the present Central Executive Committee, which is composed of moderates, has control of the party machinery and undoubtedly has a majority of the delegates on their side, the other groups will manage in some way or another to make their voices heard.

While these various under-currents are present in the Kuomintang, the only organized political entity in the country, most students of Chinese political conditions believe that if the Kuomintang political and military leaders are left to their own devices and are given reasonable moral assistance from the outside that they will be able to compose their troubles and ultimately establish a unified government that will be able to reconstruct the country and put its foreign relations on a sound basis of equality with the rest of the world. But at this point protrudes the element of foreign interference as exemplified by Japan's present activities in Shantung, Hankow and Manchuria. For several weeks the Japanese Concession at Hankow has been an armed camp with Japanese marines patrolling the borders of the Concession behind sand-bag and barbed-wire barricades which bristle with machine-guns and bayonets. The trouble at Hankow started over the killing of a Chinese laborer by a motor-cycle driven by a Japanese marine. The incident could easily have been settled, but the Japanese refused to settle the incident, with the usual result that the Chinese have declared a general strike against the Japanese and have maintained a picketing force about the Concession for several weeks. The Japanese have concentrated a large force of gunboats at Hankow and the usual deadlock continues.

Since last October the National Government has been trying, through peaceful negotiations, to settle the Tsinan incident, but here again the Japanese military party headed by General-Baron Tanaka, Premier, has blocked every possible effort of the Chinese to effect an understanding and are still maintaining their troops in Shantung Province. A perusal of the record of the Sino-Japanese negotiations which appears elsewhere in this issue of *The Review*, will clearly indicate the disinclination of the Japanese to reach an equitable understanding based on common justice, and to make matters still worse, the Japanese military elements have recently connived (see issues of The Review for March 2 and 9) in the efforts of the ex-bandit-tupan, Gen. Chang Chung-chang to re-establish himself in Shantung province behind the Japanese military lines which control a 20-mile zone around the two cities of Tsinan and Tsingtao and along the 250-mile Chinese Government railway which connects the two cities. Gen. Chang Chung-chang has back of him all of the reactionary Chinese military and political elements which were driven out of China last year and since their eviction have been residing within the Japanese Kwantung leased

territory or military zone in Manchuria. There is now no questioning Japan's secret backing of these reactionary elements, the object being to get control of the government in the North, reestablish the capital at Peiping; and finally to oust Gen. Chang Hsueh-liang and the pro-Nationalist party from the Three Eastern Provinces, of Manchuria. Recent reports from Shantung have indicated that the old Chihli-Shantung troops which were defeated last year and many of which were incorporated into the National armies in North China, are gradually going back to the banner of Gen. Chang Chung-chang and to make matters still worse, many of the reactionary White Russians, formerly mercenaries under Gen. Chang Chung-chang, are also joining him in the territory which he controls behind the Japanese lines in northern and eastern Shantung province.

It is this Japanese-Chang Chung-chang element which constitutes the real danger in the present Chinese political situation, for it constitutes a further complication in an already delicate and critical political situation. Obviously it makes it extra-difficult for the Kuomintang and National political leaders to compose their own differences because it awakens and arouses the radicalist elements who have preached the doctrine that the only way to settle China's foreign and domestic problems would be through a reign of terror that would drive the foreigners and their intrigues into the sea. This Japanese intrigue in Shantung Province has also had the effect of creating dissension between the Kuomintang leaders and their allies in the North, Marshal Feng Yu-hsiang and Gen. Yen Hsi-shan and has made it particularly difficult for the Nationalistically inclined political leaders in Manchuria to cooperate with Nanking. It has also made it practically impossible for the National Government to carry out its plans for disbandment of troops, a prequisite for political unification and reconstruction, and this in turn has made it next to impossible for the Government to curtail military expenditures and reorganize the finances of the country because all available funds are eaten up by the military.

In view of the tremendous problems which the National leaders have solved in the past three years, there is hope that they will be able overcome the present crisis. Gen. Bei Tsung-chi, one of the leaders in the Kwangsi group, who is now stationed at Peiping, sent a telegram to Nanking on March 11 which summarized the present crisis and pointed out the only logical method of settlement, his statement being as follows,

"With the conclusion of the Northern Punitive Expedition the foundation of the nation may be said to have been laid. The convocation of the Third National Congress will also usher in the period of Political Tutelage. At the present juncture when the people are longing for peace, the Hunan situation has suddenly developed and given rise to many rumors. The busy-bodies speculate on the future and the reactionaries fabricate alarming reports, resulting in the existence of a tense atmosphere which is wrongly regarded as pregnant of possibilities.

"As these alarming reports reached my bed-ridden self in Peiping, (Gen. Bei has been ill for several weeeks at a Peiping hospital) I became more convinced that, confronted as we are with difficult diplomatic question abroad and intense sufferings at home, the country cannot sustain further civil strife, for the unification of the country depends upon peace. I, therefore, repeatedly telegraphed to various leaders in the Capital requesting them to transmit my messages to the Central Authorities for the maintenance of a calm attitude, so that a local incident be not permitted to develop and involve the peace of the whole country.

Subsequently, I was informed that the Central Political Council appointed a commission to conduct an enquiry into the matter while, on other hand, the Wu-Han Authorities also intructed the various military units under their command to return to their original garrison posts by order of General Li Tsung-jen and to await further orders from the Government. These steps served to stem the tide of disaster and dispel groundless rumors in circulation.

"But during the last few days these alarming reports have been growing worse and mobilization seems to have actually taken place. Pondering over such a state of affairs one cannot but feel sad and depressed.

"The success of the Revolution was achieved through forty years of struggle on the part of our late Leader, the tremendous sacrifice of our late Revolutionary martyrs, the untiring efforts of our present comrades and the strenuous exertion of our military colleagues. All our people should strive hard to preserve our present political status so as to facilitate the gradual carrying out of rehabilitation measures, thereby to mitigate the sufferings of the people and to accomplish the mission of the Revolution.

"Should there be any discord, rumors may turn into facts. The fate of the whole country hangs on the breadth of a hair and the entire people may be plunged into misery. Such a situation would only serve the purpose of the enemies of the Party and give an opportunity to the remnant Militarists to stage a come-back. The vicious circle of civil wars would be revived which will make the collapse of the Kuomintang a certainty. The nation would be once more inflicted with the ravages of the Communists and the troops of our aggressive neighbor will remain on our soil. We would not only defeat our original purpose of building up a New China but also cause bitter disappointment to the masses. What we have been fighting for at the risk of our own lives would also lose its meaning and make us the laughing stock of the entire world. Even if we each had one hundred mouths to explain ourselves, we would not be able to defend our position.

"You, as leaders of the people, no doubt are anxious to work for the common interest of the nation. Please consider the future carefully and act in unison to save the country. I venture to propose that the Central Authorities be petitioned to maintain a calm and tolerant attitude in regard to the Hunan question. As the Wu-Han Division of the Central Political Council is a subordinate organ of the Govrnment, it will and must abide by the decision of the Government and act accordingly. If this can be attained, the reactionary movement of the remnant Militarists cannot be a menace to us and we may also hope that the diplomatic issues will be settled satisfacttorily. This is the only way to change the present situation into one of peace."

Some Elements in the Proposed Sale of the Shanghai Electricity Department

IT NOW SEEMS reasonably certain that the present Shanghai Municipal Council will recommend at the annual Ratepayers Meeting on April 17 that the Shanghai Municipal Electricity Department be sold to private interests. Various reasons have been advanced by the Municipal authorities for the sale of this important public property but the real reason for the sale is that it offers opportunity for local foreign holders of municipal debentures or bonds to liquidate at better advantage than might be possible later on when further steps have been taken to extend Chinese control over the International Settlement. The recent decision of the foreign municipal authorities and the Consular Body to take no further steps at the present toward increasing the Chinese personnel on the Municipal Council, apparently was made for the purpose of preventing the Chinese from exercising any effective opposition to the proposed sale, it now being generally known that the Chinese are opposed to the sale unless some arrangement can be made for a substantial Chinese interest in the enterprise in case it is sold.

In view of the fact that the Chinese attitude will have much to do with the Council's ability to dispose

of the plant to a foreign purchaser, it would seem that the Municipal authorities are following a rather short-sighted policy in ignoring the Chinese viewpoint on the question. Thus far we have seen no definite statement on the question from responsible Chinese commercial and financial interests, but generally speaking the Chinese opposition to the sale has been based on the proposition that the Electricity Department has been largely built up from Municipal revenues toward which the Chinese have contributed in the form of taxes to the extent of sixty or seventy percent of the total. Thus the Chinese argue that they already have a three-fourths interest in the plant and if they will wait until the Settlement is returned to Chinese control they will get it completely without any monetary outlay. Looking at the question from this standpoint, it is highly necessary that any foreign interest contemplating the purchase of the plant should make arrangements for taking the Chinese into partnership; otherwise the Chinese are quite likely to block the sale in one way or another. Still another phase of the matter of selling the plant has to do with the Chinese political reaction. Most of the Chinese protests which have appeared in the newspapers have been inspired by the Kuomintang or at least a certain faction in that political organization which is generally opposed to foreign monopolistic enterprises on Chinese soil. The Shanghai Municipal Council may consider itself a free agent in the matter of selling the plant, but this is a foolish attitude because a formal protest against the sale on the part of the National Government would almost certainly have the effect of discouraging any would-be purchaser. Whether the Chinese Government would oppose or favor the proposition would depend largely upon circumstances intimately connected with the attitude of local Chinese interests. It is therefore highly necessary that the Council and the foreign ratepayers should not ride rough-shod over Chinese sentiment on the question.

Another way of looking at the question is from the standpoint of the foreign purchaser who must put up the money for the purchase and assume responsibilities for future operation. Looking at it from this point of view the situation is not an altogether happy one because the local Electricity Department is only one of three similar plants competing for the business of this industrial district. The Chinese have an electric and power plant in their city and the French Concession also has its plant. All three of these plants are competing with each other and in many places their interests overlap. The Municipal Electricity Department only has a monopoly within the borders of the International Settlement and in the event the Settlement is returned to Chinese control it would mean that the foreign plant would be brought into active competition with the Chinese-owned plant in Chinese administered territory. Before putting any money into the Electricity Department the foreign purchaser would want to know where he stands in respect to a franchise and obviously he will be deeply concerned with the status of his enterprise in the event of a relinquishment of extraterritoriality. All of these questions are inextricably mixed up with the future status of the Settlement and the question of extraterritoriality—important questions which are still unsettled, and are likely to remain unsettled for a considerable time if foreign die-hard interests have their way.

There is no particular point in bringing up the argument of the relative-merits of privately-owned and publicly-owned enterprises of this character from the standpoint of efficiency of operation and service to the public. Municipally-owned plants, provided they are efficiently managed, are generally able to supply power at lower cost than privately-owned plants, the reason being that they are supposed to supply their service at cost. The Shanghai Electricity Department, although municipally-owned, has always been operated as a private plant and has been expected to show a profit every year. Much has been made of the profit-element, the Shanghai public apparently not having sufficient intelligence to realize that the showing of a profit has meant that the electric light and power users have been forced to pay higher rates than they should have been forced to pay had the enterprise been operated as a genuine public enterprise. Aside from this element, no one questions the fact that the Electricity Department has been efficiently operated in the past, but whether this situation will continue in the future in the event of a change in the status of the Settlement, is impossible to say. Should the plant become a football of Chinese politics as has happened in respect to similar enterprises in certain Chinese cities, obviously the outlook would not be favorable.

There is a possibility, of course, that the plant might be purchased by Chinese interests. The response which the Chinese have made to the various bond issues of the National Government indicates that there is plenty of Chinese money available for the purchase of the Electricity Department, should the Chinese desire to purchase it. In the past, however, the Chinese have not displayed any particular interest in investing their money in anything with which the Shanghai Municipal Council has had anything to do. Only a small portion of local municipal debentures are said to be owned by Chinese interests, despite the fact that they have always offered a good interest return. There has never been any definite statement regarding the value of the Electricity Department, the propaganda put out by the municipal authorities vaguely mentioning figures ranging from Tls. 40,000,000 to Tls. 60,000,000. Owing to the indefiniteness of the future status of the International Settlement it is quite doubtful whether the Chinese could be interested in the purchase of the plant, but if some definite plan for the rendition of the Settlement could be decided upon, then there would be little difficulty in inducing the Chinese to come forward with an offer.

Finally, there is the element of the future relationship of the plant to the Municipality and the users of light and power. The Electricity Department, as at present operated, brings in a considerable income to the local government. As stated in the foregoing, the users of light and power have been taxed in order to produce this profit which has contributed to the support of the local administration. What would the Settlement do to replace this income in the event of the sale of the plant to private owners? There has been no answer to this question except some vague propaganda that in case the plant is sold to private interests, the Settlement might insert a clause in the franchise requiring the foreign company to subsidize the Shanghai Municipal Council to an extend approximating the present profit which the municipality receives from the operation of the Electricity Department. An insertion of such a clause would mean, of course, that the users of light and power would have to put up the money in the form of increased rates. One of the local newspapers which has been opposing the sale, in reference to this point, declared that such a scheme would be like forcing a man to support two families. In view of these various complicating elements it is easy to see that this question of disposing of the Electricity Department, fairly bristles with complications—hence the very great necessity of thorough study and investigation before any definite steps are taken to dispose of the department to private interests.

Sino-Japanese Negotiations Still at Deadlock

THE RECORD TO DATE

October 19—General-Baron Tanaka, Japanese Premier and concurrently Foreign Mininter sent S. Yada, Japanese Consul-General at Shanghai, to Nanking to confer with officials of the National Government for the purpose of trying to r ach an understanding in order that formal negotiations might be undertaken. Mr. Yada, however, was not provided with any credentials for conducting actual negotiations, hence his activities at Nanking can only be classed as "conversations."

October 26.—General-Baron Tanaka sent Hachiro Arita, chief of the Asia Bureau of the Tokyo Foreign Office and Koichi Nishida, acting Japanese Consul-General at Tsinan, Shantung Province, to Nanking supposedly for the purpose of "checking up" on the reports regarding the Nanking situation which Mr. Yada, the Japanese Consul-General at Shanghai had submitted to Tokyo regarding the attitude of the National Government.

November 10—General-Baron Tamaka is alleged to have sent a secret confidential agent named Kono Ryonei to Nanking for a private conversation with General Chiang Kai-shek, Chairman of the National State Council, apparently for the purpose of "checking up" on reports which Messrs. Arita and Nishida had made regarding the situation at the National Capital and also, according to report, for further "checking up" on Mr. Yada, the Japanese Consul-General at Shanghai.

November 19—S. Yada, Japanese Consul-General at Shanghai, who initiated the Nanking "conversations" and who returned to Shanghai after a stay of six days in the National Capital, returned to Nanking for still further conversations with Dr. C. T. Wang, the National Minister for Foreign Affairs.

November 23—Negotiations between S. Yada, Japanese Consul-General at Shanghai, and Dr. C. T. Wang, National Foreign Minister, definitely break down and both issue statements, the reason for the break-down being unknown but supposedly on account of Japan's refusal to withdraw her troops from Shantung as a preliminary to the opening of definite "negotiations" for a settlement of outstanding problems between the two countries.

November 23—Although the "conversations" between Yada and Wang are discontinued, Mr. Yada opens "conversations" with T. V. Soong, National Minister of Finance on the question of the China tariff and also, according to report, on the question of China's refunding the defaulted Japanese loans from the increased customs revenues expected to result from China's tariff autonomy program.

December 4—Consul-General Yada demands of Mr. Soong that China must agree to the refunding of Japan's defaulted debts from the increased customs revenues before Japan will agree to China's plans for increasing of the tariff schedules. Chinese papers state Mr. Soong refused to consider the Nishihara loans at all, but that he did agree in principle to a refunding of the "legitimate" Japanese loans and as good faith offered to set aside the sum of $5,000,000 as the first year's payment of interest on the old unsecured Japanese loans.

December 7—S. Yada, Japanese Consul-General at Shanghai refuses to accept China's official Note announcing the new tariff schedules which China intends to enforce on February 1, 1929. The other foreign consuls at Shanghai, including the American and British, accept the Notes and draft of schedules and forward them to their Legations in Peiping.

December 11—Takejiro Tokonami, president of the Shinto Club, a Japanese political organization, occupying a "neutral" position in the Diet, accompanied by Mr. Akatsuka, former Minister to Austria, Lieut-General Idogawa, retired militarist, and a staff of about a dozen secretaries arrive in Nanking, supposedly on a private mission for the purpose of investigating the political situation at Nanking.

January 25.—General-Baron Tanaka announces at a meeting of the Privy Councillors in Tokyo that "the conclusion of a Sino-Japanese tariff pact may be taken as Japan's *de facto* recognition of the National Government, but since recognition requires a legal form, it cannot be said to be complete recognition unless the Japanese Government formally recognizes the National Government with a formal Note. The matter regarding Japan's recognition of National China depends upon the outcome of the negotiations on various outstanding Sino-Japanese issues, which are to be conducted between Mr. Yoshizawa and the National Government." This statement by General-Baron Tanaka constituted the first definite information from Tokyo that Japan had negotiated a tariff treaty with China and probably would not raise objections to the coming into effect of the new Chinese tariff schedules on February 1.

January 25.—Mr. Yoshizawa, Japanese Minister to China, who has been in Tokyo for several months, arrives in Nanking and opens negotiations with Dr. C. T. Wang on outstanding Sino-Japanese questions, the official Japanese *Toho* news agency report stating that negotiations are to be started, first of all on the Tsinan incident.

January 26.—Chinese Ministry of Railways announces that protracted negotiations between representatives of the Ministry and the Japanese Consul at Tsinan on the question of resuming transportation on the Tientsin-Pukow Railway through the Japanese military zone at Tsinan, Shantung, have broken down owing to the conditions which the Japanese military have imposed respecting the inspection of trains which the Chinese declared to constitute an infringement upon their sovereignty.

January 28.—Official Japanese *Toho* news agency announces that Mr. Yoshizawa planned to return to Shangh i, it being "learned on good authority" that the negotiations between Mr. Yoshizawa and Dr. Wang were "on the whole a repetition of the Wang-Yada preliminary negotiations and that though the withdrawal of Japanese troops from Shantung was the principal topic, no reference was made to any concrete measures for the evacuation of the Japanese troops. In short, the Sino-Japanese parleys have resulted in no agreement, but it is understood that Mr. Yoshizawa is giving a dinner-party this evening in honor of Dr. Wang." A later Chinese report stated that Dr. Wang didn't attend the dinner-party, pleading illness.

January 29.—Report from Tokyo states that "owing to his success" in negotiating the new Sino-Japanese tariff understanding, Mr. Yada, Japanese Consul-General at Shanghai is to be recalled to Tokyo and it is not known whether he will be promoted to a new post or sent back to Shanghai.

January 29.—Official *Toho* report from Nanking states that Mr. Yoshizawa and Dr. Wang held another conference and exchanged views concerning the "whole of the pending questions existing between Japan and China." After the meeting Mr. Yoshizawa told the Japanese newspaper correspondents that he had discussed the Tsinan incident as well as the anti-Japanese movement now prevailing in China. "On the whole, I can inform you that effective conversations were exchanged in a friendly atmosphere and I am expecting to hold another meeting with Dr. Wang within a few days," stated Mr. Yoshizawa who explained that he was returning to Shanghai where he hoped further negotiations would be held, "the opinions of both delegates being very close due to the conciliatory attitude . . . thus throwing a light on the future of Sino-Japanese negotiations."

January 30.—Japanese Privy Council, according to *Reuter* report from Tokyo, formally approves the China Tariff Agreement and notifies the Japanese Charge d'Affairs in Peiping to sign accordingly.

January 31.—*Reuter* report from Tokyo quotes "official circles" in the Japanese Government as declaring that the signing of the China Tariff Agreement only reoognized the "Interim Tariff" and did not constitute recognition of tariff autonomy or actual recognitton of the National Government; Japanese Government Spokesman also alleged that China had agreed to recognize the legality of Japan's "unsecured" loans made to China and in addition had agreed to set aside $5,000,000 from the increased tariff revenues toward repayment of Japan's loans. Chinese officials denied Japanese allegations regrading "recognition" of Japan's unsecured loans and stated that China had sent identic notes to nine nations, including Japan, asking them to send representatives to China for purposes of discussing the refunding of defaulted loans and that Japan's unsecured loans would have to go into the same pot with the unsecured loans of other countries.

February 5.—Mr. Yoshizawa and Dr. Wang hold conference in Shanghai which lasts for 10 hours, at conclusion of which Dr. Wang was quoted by the official Chinese *Kuo Min* news agency as stating that an agreement had been reached and that formal negotiations would be conducted in Nanking "as soon as the details can be worked out." Mr. Yoshizawa, the Japanese delegate, was quoted by the official Japanese *Toho* news service as stating, "It may be safely said that as the result of this parley, the Sino-Japanese negotiations on the Tsinan affair have been almost brought to a successful conclusion."

February 8.—Dr. Wang and Mr. Yoshizawa meet in Shanghai, supposedly for the purpose of initialing the documents for formal settlement of the Tsinan incident, when Mr. Yoshizawa informs Dr. Wang that upon instructions from Tokyo he cannot agree to the understanding previously agreed upon on February 5 that both sides are to pay damages resulting from the Tsinan incident subject to the findings of a joint Sino-Japanese commission of investigation. Mr. Yoshizawa proposed as a counter-measure that both sides should forego claims for damages, but the Chinese refused to consider this on the grounds that 5,000 Chinese citizens were killed and Chinese property was damaged to the extent of several millions of dollars. Sino-Japanese negotiations again deadlocked.

February 13.—After prolonged negotiations between officials of the Chinese Ministry of Railways and the Japanese military authorities at Tsinan, the Japanese agree to permit the Chinese Railway Administration to operate a certain number of freight trains over the Tientsin-Pukow Railway through the Japanese military zone about Tsinan. Japanese conditions are not disclosed, but according to reports appearing in the Chinese press, the freight trains must not exceed five miles per hour and must be subject to inspection by the Japanese military when they enter the Japanese zone from either the north or the south. No mention was made in the report regarding permission being granted to the Chinese to resume operation of passenger trains on the Tientsin-Pukow Railway.

February 21.—*Reuter* report from Tokyo stated that Japanese Minister Yoshizawa had received instructions to reopen negotiations with Dr. C. T. Wang for a settlement of the Tsinan incident and that the National Government had been notified accordingty. The report did not disclose the content of Minister Yoshizawa's instructions, but a Japanese *Nippon Denpo* message from Shanghai appearing in the *Japan Advertiser* on Feb. 15 stated that Mr. Yoshizawa had recommended to Tokyo that (1) Japan is to consent to China's proposal for the creation of a joint-inquiry commission; and (2) that China is to consent to the limitation of the scope of the inquiry of the commission regarding damages as well as other curtailments of the commission's powers.

February 26.—Namoru Shigemitsu, newly appointed Japanese Consul-General at Shanghai in place of Mr. Yada who was recalled, in an interview with representative of official *Toho* news agency stated that he planned to follow the instructions of Mr. Yoshizawa and denied that Baron Tanaka had given him any new instructions to be handed to Mr. Yoshizawa regarding the Sino-Japanese negotiations.

February 27.—General-Baron Tanaka, Japanese Premier, in interview regarding Sino-Japanese situation declared that the Japanese Government "had no intentions either to take any measures for the reopening of the negotiations with China, or to bring the negotiations to a close, but to watch the course of events, simply awaiting what attitude China plans to take toward this question."

February 27.—Dr. C. T. Wang, National Foreign Minister, in an interview circulated by the *Kuo Min* news agency "did not appear hopeful over the Sino-Japanese outlook," but stated that it would be incorrect to say that the pourparlers between Mr. Yoshizawa and himself had been completely broken off. Dr. Wang also expressed the opinion that while Mr. Yoshizawa seemed inclined to adopt an attitude conducive to a successful conclusion of the negotiations, that apparently the Tanaka Government was stubbornly over-riding its representative's desire to reach a settlement. Dr. Wang said, "until the Tanaka Cabinet awakens to the fact that a Sino-Japanese settlement of outstanding problems is impossible unless there is a radical change in Japan's policy toward this country, I see little hope of any satisfactory results from a resumption of conversations with Mr. Yoshizawa."

March 1.—It is definitely announced by the National Ministry of Railways that negotiations which had been proceeding between a representative of the Ministry and the Japanese military authorities at Tsinan for a resumption of passenger-train service through the Japanese military zone at Tsinan, had broken down, the Chinese refusing to agree to the Japanese conditions pertaining to searching of passengers.

March 1.—Japanese Government-owned South Manchuria Railway Company gives 20 foreign newspaper correspondents stationed in Peiping a free tour of Manchuria under Japansse auspices "for the purpose of inspecting conditions in Manchuria."

March 4.—General-Baron Tanaka, Japanese Premier, quoted by official Japanese *Toho* agency as saying "While it is true that the Sino-Japanese negotiations between Dr. C. T. Wang and K. Yoshizawa are at a deadlock, it cannot be considered that they have broken down. Both parties concerned are now trying to devise means for resuming the negotiations. Though a certain sort of decision has been reached in the mind of both parties, they are compelled to look for an opportune time for the resumption due to their respective domestic affairs.

March 5. - Official Japanese *Toho* news agency dispatch from Tokyo states that "since there is at present no sign of the Sino-Japanese negotiations on the Tsinan incident being brought to a sucessful conclusion in the near future, the Japanese Government has decided to bring before the Diet in a day or so a supplementaro budget, amounting to Yen 2,580,000 covering the expenese of the Japanese contingents in Shantung. General-Baron Tanaka and other high officials of the Foreign Office conferrred yesterday over the substance of the Government's instructions to be issued to Mr. Yoshizawa who has lately asked the Foreign Office for further instructions."

March 6.—Unconfirmed report from Nanking states the National Government is planning to lodge a strong protest with the Japanese Government alleging direct Japanese complicity in the come-back of Gen. Chang Chung-chang to Shantung Province.

March 6.—Mr. Mori, Administrative Vice-Minister of Foreign Affairs for Japan in interview circulated by *Toho* news agency states, "There is no truth in the reports that Mr. Yoshizawa has asked the Japanese Government for further instructions on pending Sino-Japanese questions, but it is true that we have received a report from the Japanese Minister on the subject and are considering it. It is unlikely that new instructions will be sent until the Government can determine the facts regarding the changed situation in China. It appears that the views of Dr. Wang and Mr. Yoshizawa are gradually approaching each other.

March 7.—Chinese *Ta Chung* news agency report from Nanking denies the possibility of a resumption of the Sino-Japanese negotiations and quotes a spokesman of the National Foreign Office as saying that no arrangements have been made for Dr. Wang to see Mr. Yoshizawa and none will be made until the Japanese Minister "can show that the Tokyo Government is agreeable to China's minimum demands." Chow Lung-huang, Director of the Asiatic Bureau of the National Foreign Office states he has been seeing Mr. Yoshizawa's secretary in Shanghai and in an interview circulated by the *Toho* agency states it is unlikely that Dr. Wang will return to Shanghai for a resumption of negotiations for more than two weeks.

March 10—Unconfirmed reports that that National Government took advantage of the presence of Secretary of State Stimson who was in Shanghai on March 1 on his way to Washington from Manila, to place before him a complete report of the Sino-Japanese negotiations respecting the Tsinan incident and the continued stationing of Japanese troops in Shantung Province, China's apparent object being to acquaint the State Department with the situation due to its bearing on the decisions reached in respect to Shantung at the Washington Conference in 1922.

March 14—There have been no further meetings between Dr. Wang and Mr. Yoshizawa, but Chow Lung-huang, director of the Asiatic Bureau of the Nanking Foreign office has continued his conversations on the Tsinan incident with Mr. Shigemitsu, newly appointed Japanese Consul-General at Shanghai, who, according to reports from Tokyo, has received new instructions from General-Baron Tanaka. Reports from Nanking indicate that "while some progress has been made, the situation does not warrant the optimistic reports from Tokyo regarding a settlement of the Tsinan incident."

Building Up China's National Defence

BY FREDERICK HUNG

(From the China Critic for March 7)

While public opinion in China has in the last decade or so been alive to the diplomatic questions of the country, only very scanty attention has ever been paid to the problem of national defence. All are intelligently resentful of the many "unequal treaties" imposed on China, but many seem to forget or, at least, to neglect the very origin whence all "unequal treaties" came from. China's military weakness is simply taken as a fact, and there is neither popular demand for better defence, nor a conviction of its necessity to the process of racial revival. This is very unfortunate because, as history shows, no people has ever been able to regenerate from a decayed past without first building up a morale of national strength based upon consciousness.

The Opium War of 1842 unveiled a new era of China's history which has continued to the present moment. I would like to call this period the "Period of Danger," as this is undoubtedly the most precarious period in the history of the Chinese people. Never before had the nation been as thoroughly defeated in arms and in spirit, and never before had the Chinese people been close to extinction as she is now. In the first time of her history she found herself surrounded by a group of hostile nations of might and superior civilization, and her untimely conflicts with them successively brought the nation to the status of a semi-colony. Her seacoast and rivers are constantly invested with alien gunboats, which now and then would drop a few shells upon defenceless cities in demonstration of military superiority. Practically all of her commercial and politial centers are easily accessible to foreign military occupation in case of national emergency. Many of her arteries of trade and commerce are in the hand of foreign interests hostile to the aspirations of the people.

One needs not go into details before he can see the extent of the weakness and dangers the nation is in. China's five thousand miles of sea-coast is defended, in theory, by an entirely obsolete fleet of a little overy forty thousand tons, which in any other country would have long been converted into waste steel. Her nearest neighbor whose fleets are within reach in two day's time has a tonnage of a million! Her sailors have as bad a reputation of corruption as her neighbor's sailors for valor and discipline. For all practical purposes, her ports and "naval bases" can be considered as unfortified, as any up-to-date cannon is able to destroy the fortifications at a convenient distance. She has no submarines at all; this most important means of defence against superior fleets is entirely unprovided for.

On land China is just as awkward as on water. Outer Mongolia is still in the claws of Russia, and Shantung, in the hands of Japan; but with the present soldiery and equipments, the best strategy is to keep away from them. Manchurian questions are still in a dead-lock, the rendition of strategic places necessary for defence are still remote, and even little Portugal talks arrogantly to China in regard to the Macao question. The great mass of the population are entirely unfit physically to defend their native land in national emergencies. The present army is hardly above the grouping of rabbles, and yet it costs the nation a million dollars a day. Military communications are still in its infancy, and military training as an aid to citizenship has not yet been thought of.

In the air, China has about two or three hundred aircraft that actually can fly as compared with other country's thousands. Although a spendid start is now being made by a group of aviators in Canton, China is still very much behind the time both in civil aviation and its employment as a means of defence. It is safe to say that the Chinese air would be practically defenceless in case of air attacks from any of the major powers.

Thus, if Chine should find herself invaded by any of the major powers, she would be entirely helpless. All of her coastal and important cities would fall into the hands of the invaders. The invaders' aircrafts would work as much havoc and terror over the land as locusts on farmers. All communications by land would be immediately occupied by the enemy or enemies. Native navigation and communication by water would be suspended to the Chinese and within six months' time, the conquerers would be able to dictate peace terms under conditions probably much more imperative than those of the Boxer War.

Dr. Sun Yat-sen gave a vivid picture of the military dangers of the nation in his "Three Principles of the People," in which is said that any of the major powers could subdue China in a very short time, ranging from ten days to two months. He has also been quoted as having remarked that China's resources of munition would be exhausted in two hours of continuous firing if all guns are to be simultaneously employed. While essentially a pacifist, he was fully alive to the needs of military defence, of which, as he told us, he had drawn up a plan. His untimely death, however, left the work unpublished. So far as the writer knows, his study of the problem has not been continued to any considerable extent by his followers in the Government and in the Kuomintang. The writer is of the opinion that had not Dr. Sun's "Plan of National Defence" been destroyed the leaders of the Revolution would have seen more clearly of the necessity of unity and stability as a means to put the country on a firm basis. The common realization of the dangers of the country is yet the best check on the possibilities of internal discord.

Probably the most important reason why the public thinks so little of national defence is to be found in the popular belief that China is too poor yet to consider its own defence, and the question should better be postponed until every other important thing has been settled. This belief, both on the part of the public and of the government, is founded upon the assumption that modern warfare depends entirely on armaments, which in turn depend upon the financing ability of the country and the development of the sciences. This assnmption, it seems to me, tends to over-estimate the relative importance of arms in proportion to the users of arms. Consequently, it has greatly under-estimated the difficulties of the problem. While the problems of armaments, the provisions of military communications, and the promotion of military industries offer immense difficulties, the problem of bringing up a new generation of citizens conscious of their responsibility and capable of discharging it in time of emergency is probably even more difficult, considering the long years required to regenerate a physically weak race according to western standards of physique. Whereas the work of armaments, difficult as it looks, can be started as soon as money is ready, the physical and, to a certain extent, psychological transformation of a race has to be started at least two generations ahead. To understand the problem we have to look at its historical aspects, that is, the history of the physical decay of the Chinese race.

It is safe to say that the Chinese race is the weakest of the surviving peoples on the face of the earth. Mortality figures stand highest among the civilized nations; personal and public hygiene is most deplorably neglected; athletics and sports unprovided for; and lastly, a bookworm's sickly philosphy prevailing in the minds of the intelligent, all these are grave problems, which if we cannot effectively remedy are sure to bring racial extinaction.

The decay of the Chinese army which has been going along with the weakening of the race dates back to the Tang Dynasty, approximately a thousand years ago. Up to the close of the Tang Dynasty China had always had fairly efficient armies, manned and officered by conscription. Their strength was tested in numerous wars against enemies from all of them. In those days a man was not afraid to go to the front, and the shameful proverb that "good sons would not become soldiers" was not in force, or had not been invented. During the Tang Dyuasty, the military and the civilian professions began to separate, resulting in the substitution of a mercenary army, officered often by uneducated commanders. Like all mercenary armies, military organization began to grow loose, and finally, many of the commanders became militarists, more or less independent of each other and of the central government. Like the mercenaries of Europe in the fourteenth and fifteenth centuriees, they were recruited from the lowest classes of the people, sometimes from foreign lands. Since that time, Chinese armies had always been mercenary.

During the Sung Dynasty there was a strong resentment against militarists and the armies were placed under civilian control, resulting in reduced efficiency and further corruption. At the same time, people in general began to look down on soldiery. Disorganization continued until when the mighty Mongols came down from the North, the Chinese armies were defeated like rabbles. The Ming Dynasty which followed the Mongolian continued to see the decay of the Chinese race. The best brains of the country were all absorbed in non-productive literary pursuits, while the martial spirit of people continued to go downhill. The hardy Manchus came down through the historic routes of alien conquest, and easily subdued the huge empire with a handful of men. Latent resentment against alien control was deep in the heart of the masses, but the "Han" people whose martial spirit had atrophied through disuse found themselves so weak that they

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Japan's Contemplated Railway Program in Manchuria

BY S. Y. LIVINGSTON HU

Taking the recent alleged Japanese ambition to construct five additional railways in Manchuria as a mere newspaper report the writer feels that it would amply warrant the Ministry of Railways to take some immediate precautionary measures to forestall this constant recurring of Japan's traditional motive of aggression and invasion into one of the most precious and strategic territories of China—Manchuria. It is vital that something should be done from the standpoint of national defense as well as from the standpoint of natural resources and international commerce, due to Japan's exploitation upon China's military and naval unpreparedness and upon the proverbial pretext of protecting her nationals and her ill-gotten "interests" there in view of China's present engrossment in her post-revolutionary tasks. According to the newspaper version of the case Japan is pressing the Mukden authorities for a speedy settlement of her railway building programme in Manchuria while forgetting conveniently and totally the evident fact that the Mukden authorities, since the elimmation of Generals Yang Yu-ting and Chang Ying-hwei, have unconditionally pledged and declared their allegiance to the National Government in Nanking, thus making, Japan's sinister request wrong in procedure and transgressing in purpose (and impossible of materialization) as it openly disregards the authorities of the Central Government in Nanking and is an intentional slighting over the functions and powers of the Ministry of Railways to build and to control railways all over China.

Japan's Fantastic Railway Projects in Manchuria

The Japanese scheme of building five new railways in Manchuria namely, from Changchun northwest to Talai, 130 miles long, an extension of the Changchun-Kirin-Tunhua railway eastwards to Yenchi on the Korean sea-board railway, from Tao-nanfu northwest to Solun in Mongolia, 136 miles long, from Kirin due north to Wuchang about 90 miles long and from Yenchi north to Hailin, a station on the Chinese Eastern Railway about halfway between Harbin and Vladivostok, portends evils to China and Russia in a very telling way as viewed from the economic and strategic importance of these projected lines. If these new lines of railway are carried out as planned the bulk of the North Manchurian trade will be diverted from Vladivostok to northern Korea and will afford Japan an avenue into the heart of North Manchuria thus placing her in a commanding position there commercially and otherwise. Consequently the National Government in Nanking and the provincial authorities strenuously protest against this heedless Japanese encroachment upon China's right to build her own railways in her own territory,—Manchuria—and against Japan's transgression upon the duties and works of the Ministry of Railways.

China's Right Versus Japan's "Interests" In Manchuria

Since Manchuria is as much a part of China as is the province of Chihli China automatically undertakes the responsibility of keeping the sovereignity of Manchuria intact and of administering peace and justice to the natives and foreign nationals there alike, otherwise the international rivalries there would become so rife as to make Manchuria "The Danger Spot of the Far East." Manchuria is Chinese territory. Approximately ninety per cent of the population in Manchuria is Chinese numbering about twenty-five millions. During the past five years Manchuria has received about three million immigrants principally from Shantung. This ever-growing colonization reacts gradually on the market demand for imported products and on the manufacturing industries such as flour-milling, bean oil and sugar-milling, thus making Manchuria the leading market in China for the supply of materials of which Japan has been so unscrupulously trying to dispossess China. Manchuria has been long regarded as the "granary of China". Aside from the Chinese industrial enterprises in Mukden and Harbin and the mining and manufacturing enterprises throughout Manchuria China owns the Peiping-Mukden Railway and shares in the Chinese Eastern Railway and has rights in all the Chinese Government Railways financed by Japan as well as the purely Chinese railways. Politically, Manchuria has been an historic road of invasion into China Proper so from the standpoint of national defense the National Government values the Three Eastern Provinces as a "buffer" against Japan and Russia on account of their geographical propinquity to China and against England, France and Germany in view of their past joint efforts to undermine the Japanese interests there in behalf of their own ambition to acquire special territorial and commercial territorial and commercial rights in Manchuria.

The economic interests of Japan in Manchuria are highly significant to the future of China and that of Japan. The Japanese in Manchuria are not retailers nor poor farmers but financiers, industrialists and commercial captains with powerful connections which run through the intricate network of Japanese financial and industrial life of Japan. Those strategic interests of Japan can be categorically enumerated as follows:

Japan obtains such raw materials from Manchuria as beancake, technically a by-product of soya bean. In 1926 the value of the bean and bean products exported was over two hundred million Haikwan Taels.

Japan also controls the most important coal mines there (the Fushun Mines) which extend over 16,000 acres with veins varying in thickness from seventy to four hundred feet. The Japanese investment in these mines alone is estimated to be over one hundred million yen, so Japan has found in Manchuria a second Ruhr. Besides the South Manchuria Railway Company is also interested in producing petroleum from the oil shales especially of Fushun.

The annual pig-iron output of the Japanese-owned Anshan Iron and Steel Works has nearly reached two hundred million tons.

The Japanese economic supremacy in Manchuria is insured by their control of the South Manchuria Railway Company and its branch lines while their financing and purchasing agencies confer upon Japan priority in many lines, thus resulting that the total foreign trade of Japan in 1927 took nearly sixty per cent of all what Manchuria exported through Dairen and Japan supplied through the same port nearly fifty per cent of what Manchuria imported.

Turning to the investment side of Japan in Manchuria hers is larger than that of all other powers combined. Japanese investments include bank advances, principally in the form of loans for railway construction, investments in Railways, real estate, mining, factories, industrial plants and properties mostly connected with the South Manchuria Railway Company which is interested in transportation, mining and manufacturing. In addition, there are a thousand or more Japanese business firms in Manchuria with an estimated capital of over five hundred billions of Yen, thus totalling all the Japanese investments in Manchuria to be from five hundred millions to one million and three hundred thirty-five million gold yen, as reported by the Sino-Japanese Business Association. From a comparison of this with Japanese investments elsewhere in China, including Shanghai, Hankow, Tientsin and Tsingtao it is plain that Japanese investments in Manchuria are larger by a wide margin than their investments in all the rest of China aggregated.

In the matter of railways the South Manchuria Railway Company alone owns and operates about seven hundred miles of railways in Manchuria the principal lines of which are Dairen-Changchun and Antung-Mukden. It is a Japanese government enterprise as half of its capitalization shares (four hundred and forty million yen of one hundred yen each) is owned by the government, and its principal officers are appointed by, and responsible to, the Japanese Government and whose policies are subject to control and supervision by Tokyo. Japanese capital has financed five feeder lines of the South Manchuria Railway with a total mileage of five hundred, namely, Kirin–Changchun, Kirin–Tunhua, Ssupingkai-Chengkiatun, Tao-nan-Anganchi and Chengkiatun. It has been a constant controversy between China and Japan about the control of those lines and over the further construction of new railways in Manchuria with the so-called "Nishihara Loans" amounting to approximately seven hundred million yen to the former defunct Peiping Government and to the late Chang Tso-ling.

Baron Tanaka, at the opening of the Japanese Diet, commenting on the foreign relations of his country with China, said the following about her position in Manchuria, namely: "In view of the political and strategic importance which it bears to Japan on account of its geographic contiguity with our territory and considering the historic significance which it possesses, in that said region was restored to China by Japan at the risk of her national existence from the aggressive grip of Tsarist Russia, it is quite natural that the sentiment of the Japanese people towards Manchuria should be peculiarly keen and entirely different from that towards any other part of China", but Japan stupidly rejects to grasp the fact that Manchuria is part of China and has no right whatsoever to risk her national existence to fight with Russia in behalf of China. Besides Japan's geographical propinquity to Manchuria could not in any conceivable way extenuate Japan for her present status there for any further infringement upon China's territory. It is the unchanging and unchangeable policy of the National Government in Nanking not to countenance any abridgement of China's sovereignty by Japan in Manchuria and to set aside the past abridgement of China's sovereignty by Japan by whatever means the future may suggest as feasible. It is within the power aud ability of the Central Government of China to do so and to do it with due sense of duty and responsibility of protection and of safety towards her own

nationals in Manchuria and other foreign nationals there than Japanese, thereby maintaining China's territorial integrity and upholding international comity and preserving world peace.

It is time for Japan to come back to her common-sense to realize that Manchuria is part of China and it is the right of China, not of Japan, to rule Manchuria. It is for the Ministry of Railways of China, not the South Manchuria Railway Company of Japan, to build and to control all the railways in Manchuria otherwise it would be a glaring injustice to China and to the interests of other foreign countries in China and in the Far East. It is up to China to make Japan see and understand and act accordingly and that "right" and "might" are not synonyms and that aggression and force cannot blur the grim irreducible fact permanently if at all. It seems regrettable that under the circumstances China has given "enough ropes" to Japan and under no circumstances has China meant Japan to use them to hang herself. In that event Japan would make herself both the ultimate and immediate cause of another world war and to make Manchuria, "the international cockpit of the Far East."

Nanking, March 6, 1929.

Consuls and Provisional Court Judges Reach Temporary Settlement

The following is the substance of a protest which was sent last week by Ho Shih-tsing, president of the Shanghai Provisional Court, to the Consular Body. The letter was addressed to E. S. Cunningham, American Consul General as Senior Consul:

"According to a petition presented to the Court by Judge Kuh Tse-shuan, a case, Chow Vi-shing and Tsai Nien-shih (complainants) *v.* Yu Wei-chang (defendant), came before him on the morning of February 23. With Judge Kuh sat J. Van den Berg, Deputy. A lawyer, Chu Shu-chen, appeared on behalf of one Tsai Shuai-ling, who in turn brought action against one of the complainants, Tsai Nieh-shih (his wife), for having a sweetheart and made a request to the Court to detain her because he, Tsai Shuai-ling, was unable to find her address. In reply, Judge Kuh stated that, as the action of the lawyer had nothing to do with the case before him, he should start new legal proceedings against Tsai Nien-shih. He further instructed Chu Shu-chen not to talk too much in court at the time, but, in spite of Judge Kuh's advice, the lawyer, Chu Shu-chen, continued to speak in the matter. At this juncture, Mr. Van den Berg suddenly issued an order to the police officer in charge of the court to put Mr. Chu Shu-chen out of court by force. Judge Kuh at the time had no means of preventing Mr. Van den Berg's action. The provisional Court considers that the action of the Dutch Vice-Consul, who, without the approval or consent of the Chinese Judge, in ordering the removal of Mr. Chu Shu-chen, a legal practitioner, from the court, was illegal and that he encroached on the judical rights of Judge Kuh, who alone had the power thus to act, and that Mr. Van den Berg exceeded the powers provided for in the Rendition Agreement.

"The Court, therefore, summoned a meeting of Judges to discuss the matter and all the Judges agreed that the maintenance of order and the direction of lawsuits in court are solely the rights of the Judges and that Consular Deputies may not exceed powers in this respect. Moreover, Mr. Van den Berg, on the same occasion, added a rider on the sheet to the effect that the Chinese lawyer in question had been suspended for a period of three months. Thus it will be seen that Mr. Van den Berg not only has encroached on the Judge's right to maintain order and to direct lawsuits but has also taken upon himself to punish lawyers. The various Judges, therefore, have requested me to lodge with you a very strong protest. I, as President of the Shanghai Provisional Court, cannot but consider that Mr. Van den Berg has acted illegaly, in commiting those acts and I hereby lodge with you a very stong protest against such actions on the part of Mr. Van den Berg.

"You are requested, therefore, to instruct Mr. Van den Berg to apologize to the Court within seven days from date and to give an assurance that no further actions of this nature will take place. Should no satisfactory reply be forthcoming within this period, the whole body of Judges will refuse to work in co-operation with Mr. Van den Berg in future."

The Consuls Uphold Dutch Deputy

In reply to the letter from Judge Ho, Mr. Cunningham on behalf of the Consular Body, replied under date of March 8, as follows:

"I concur in your opinion that it is primarily the task of the Presiding Judge to maintain order in Court. Should the Judge, however, take no action in a case like the one you refer to, then I consider the task from which the Judge shrinks becomes incumbent upon the Deputy, who equally with the Judge is entitled to respect from all persons present in the court room.

"Concerning the second point, that of suspension, it is my view that since the misbehaviour of lawyers in Court has more than once been brought to your notice; you must by now be well aware that some action is urgently necessary for the enforcement of discipline amongst the lawyers. As you have not so far seen your way to indicate a general line of conduct in cases of insubordination of lawyers, every case must clearly be considered on its own merits. If a lawyer misbehaves himself to such a degree that, in the opinion of the deputy some disciplinary action stronger than mere ejectment from the court is called for, the Deputy is entitled to maintain the dignity of the Court and the prestige of himself and all his fellow Deputies by ordering that the lawyer in question shall be suspended from practice before any consular representative or Senior Consul's Deouty, for a stated period.

"Now in this case you admit it was the duty of the Judge to deal with any lawyer who might behave improperly in Court and since the lawyer in question *did* behave improperly I shall hope that appropriate steps will be taken by those directly responsible for the maintenance of discipline, in which case I will immediately instruct my Deputy to withdraw his order.

"I must further point out to you the seriousness of the step which is now, as you state, being contemplated by the Judges. The carrying out of this threat would mean the holding up of many criminal cases resulting in undue hardship on the accused, in which case, you are undoubtedly aware, your compatriots would be the first to suffer, as they would have to be detained in prison, pending the possibility of being heard by a properly constituted Court.

"With these representations before you, therefore, I am confident that you will be able to induce the Judges to continue performing the duties which were entrusted to them as I see no valid reason for instructing the police to depart from their habitual routine of bringing cases as usual before my Deputy Van den Berg, in whose place it is not desirable to appoint another Deputy."

Later a conference took place between the Provisional Court Judges and the deputies at which an agreement was reached that in future should Chinese lawyers become obstreperous in the Provisional Court, their chastisement will be in the hands of the Chinese judge on the bench with the concurrence of the Senior Consul's Deputy sitting at the time. Should an occasion arise wherein the Deputy is of the opinion that court rules are being infringed upon, the agreement is that the Deputy shall call the matter to the Judge's attention and ask that proper steps be taken. Should the Judge be of a different opinion to the Deputy, the case in hand will be adjourned until an amicable settlement of the trouble has been reached in chambers between the Deputy and the Judge.

One of Many Clashes

The clash between the Dutch deputy and the Provisional Court Judges is but one of many clashes that have occurred in the past year, and one result has been to call particular attention to the status of the court.

With reference to the question of renditing the Provisional Court to the Chinese Government, Dr. Wang Chung-hui, president of the Legislative Yuan, in the course of a recent interview published in the Chinese press, made a statement to the effect that regulations relating to the rendition of the Court had been drafted and that, after rendition, the Court would be controlled directly by the National Government. Fourteen points were dealt with in the regulations, the most important of which follow:—

1.—The various Powers concerned shall be notified before June 30 of the expiration of the Rendition Agreement on December 31, 1929;

2.—As soon as the Rendition Agreement expires, both the Shanghai Provisional Court and the Court of Appeals will be abolished and a "Shanghai Special District Court" and a "Shanghai Special District Higher Court" will be organized in accordance with the laws of China;

3.—After rendition, all lawsuits will be dealt with in accordance with the laws of China;

4.—After rendition, no foreign Consuls or Deputies will be permitted to sit in the court in Chinese civil and criminal cases or in actions brought by foreigners against Chinese;

5.—After rendition, only lawyers of Chinese nationality will be permitted to practise in court;

6.—After rendition, a president and several judges will be appointed to handle the affairs of both the Shanghai Special District Court and the Shanghai Special District Higher Court;

7.—The Supreme Court shall be the last court to which litigants may appeal;

8.—After rendition, Chinese will be appointed to take charge of the gaols and prisons attached to the court;

9.—Prison administration shall be carried out in accordance with the laws of China; and

10.—The Shanghai Municipal Council shall render special and sincere assistance to the court in the execution of the court's decisions and, failing this, those responsible shall be punished and dismissed.

Liberalism in Japan

BY JOHN STEWART BURGESS, PH. D.
Professor of Sociology, Yenching University, Peiping, China.

Deep hatred of Japan, caused by a long series of events beginning with the famous 21 Demands of 1915, and culminating in the recent Tsinanfu event and in the present virtual protectorate over Manchuria announced during the Northern drive of the Nationalist Party is a quite general feeling among the Nationalists of China. England, against whom the antagonism of the patriots of the New China was directed after the shooting of the students in Shanghai, May 30, 1925, is no longer the center of attacks by press and propaganda. A far seeing change of diplomacy given wide publicity has lessened this tense feeling. National aspirations are seen to be kept in check principally by Japan.

With this background a visitor to Japan naturally looks for some corresponding powerful feeling of antagonism to and critism of China. Have not Japanese been killed in Tsinanfu and is there not at present in Hankow and in many other places a powerful boycott of Japanese goods?

To enable me to arrive at some estimation of intelligent public opinion in Japan, a Western friend of mine had at my request picked out several representatives of different groups for interview. They were an Osaka Labor Leader, who is a member of the National Labor Federation of Labor's central committee, two University professors of one of the leading national Universities, a well known editor in chief of one of the largest newspapers in Japan, and an elderly and internationally known member of the House of Peers.

A first discovery that is surprising to the visitor from China is that the leading newspapers are all against the Government. But this is chronic. The Press always is, we are told. The Tokyo and the Osaka *Asahi* with a combined circulation of over 2,000,000 are frank in stating that the present Government is the worst that Japan has ever had, and that the policy to China is outrageous. The *Nichi Nichi* and the *Mainichi* of the same two cities are slightly less cirtical but are also telling 2,000,000 more readers that government policies need drastic change in a more liberal direction. The other papers, we are told, are a chorus of complaint. It was thought that one paper of importance in the Empire might be considered as pro-Government. "General public opinion" we are informed from several directions, is against the Tanaka regime and for a more liberal China policy. One must not expect opinion to be registered in the foreign policy of the government—not until much pressure is brought and not necessarily then.

The View of a Labor Leader

The labor leader expressed himself thus, "The government stands before China with pistol leveled at her head," illustrating by a gesture. "It is the diplomacy of pure threat and force. The masses of people know little of what is going on. The press can not print much". This leader favored a reversal of policy in China. "But," said I, "Is the argument not common in Japan that there are too many mouths to feed here. There is a pressure of overpopulation. Japan must possess Manchuria and must make a hold on the main land?" "Thats all foolishness. There is plenty of space for Japanese on the mainland which we could occupy if there was good will between the two nations. The present policy is against such good will." By "occupy", of course, he meant peacefully living under the Chinese government in China.

The younger of the two college Professors was the freest in expressing his opinion. A graduate of a large American University, with six years abroad, he spoke excellent English. Chang Tso-lin was in his opinion undoubtedly killed by Japanese influence. Perhaps some high military officer arranged it. "There are a good many fervid militarists of this kind. They will do anything for the Empire. Or it might have been a group of young patriots in some secret society. The whole subjects is taboo in the press. It can not be speculated on publicly. But the opposition is engaged in heckling the Government on the question of the delay in making an investigation. He was quite sure that the Japanese were indirectly responsible for the recent brutal assassination of General Yang Yu-ting in Manchuria. Yang had made many loans from Japan. The Japanese were backing him. He, with their help, was getting too powerful. He was put out of the way by the young Marshall Chang Hsueh-liang, because he was getting too powerful."

As to the Tsinan incident, the young professor was sure that the blame was almost wholly on Japan. They incited the trouble. Probably many of the Japanese that were killed in the first place were the opium smugglers, was his opinion.

"But we are not well informed. The government propaganda is powerful. The diplomatic policy of my government remains wholly mystic!"

As to Manchuria the policy was in the control of the Okura capitalist groups and all who had big investments in Manchuria, the big merchants whose trade is involved and the vested Railroad and other Governmental interests.

The Groupings of Labor

In a very few minutes the young teacher gave me a clear analysis of the groupings of labor in Japan. They are four main divisions, the first very small and relatively unimportant, namely the left wing Communists who dare to receive money from Russian sources. The second was larger and constituted a strong minority the various groupings of Marxian Socialists that have become more indigenous to Japanese backgrounds. The third group is the largest—the Social Democrats. They are the British Labor party type—emphasizing state socialism and the improvement of the conditions of labor, and some representation of labor in the direction of industry. The fourth are those who from social or religious motives are interested wholly in the welfare of the laborers—in improving conditions and shortening hours of work, increase of pay and other ameliorative measures. Many Buddhists and Christians were in the fourth group. The third party emphasized trade unions and collective bargaining as the chief weapon of labor, but also were going into politics. There are 8 labor members of the Diet now. The contest on now was between 2 and 3. The radicals were contesting with the Social Democrats. The latter had not forgotten the dream of future democratic control of industry.

When I had finished my questions he put to me this question, "What do the intellectuals of the People's Party think of Japan." I explained that the antagonism was pretty general since the liberals such as he was were really not affecting foreign policy. Japan to the Chinese people generally is what Japan does in China. At present what Tanaka does is the symbol of Japan. He seemed surprised that the liberal sentiment of Japan was not better known in China.

The older of the two professors was more reticent. He too was clearly opposed to the Tanaka methods and policy. He considers the future development of China largely an economic question. If business is to prosper, the key is increased wants on the part of the farmer. These can only be met if the farmer himself is able to change from a consumption economy, where he uses all his own products, to an economy where he sells his surplus. I explained to him that just this thing was beginning to come about in the North China area wherein factory made cloth and flour from the big mills of Tientsin and Shanghai was replacing local products. Surplus farm products were being marketed. He pointed out that this movement could not be successful unless by large unit agricultural production, where larger and better farming implements were possible. The tractor and the harvester can not be purchased or used by the small land owner—and most of the farms are small. Cooperative use of modern appliances and cooperative marketing were discussed at length. Japanese economists are thinking ahead on the economic problems of China.

The Political Difficulties

The political difficulties were summarized by the professor as follows: "The two big problems in our relations is the weakness of the Government in China and the weakness and ineffectiveness of the liberals in Japan." With a strong central government in China and order restored the sword rattlers in Japan would have no case and the liberals would get control.

The newspaper chief editor, a man of 45, alert and clear-minded answered all questions directly and went out of his way to give a much needed-to-me background of liberalism in Japan. His remarks may be summarized as follows,

"We liberals face two outstanding problems. First the present system of a 3 months session of the Diet is ridiculous. The government business can not be done in such a short time. Much is done when the Diet is out of session. Policies can be carried out with little or no check. The second needed reform is that of the House of Peers. It is not within the law, that is, it can not come under the election laws, for members are either appointed by the throne or hereditary. At present there are 190 hereditary members and 125 appointed from prominent business men, scholars or statesmen. There is in this House a block that for considerations will support any government policy. The upper house is far stronger than the lower one. They can defeat measures initiated by the lower house.". The government has, however, a majority in the lower house of 10. There is a lot of "shaving off" of one party's members by the others going on all the time. A very little might give the opposition, the Kenseikai, a working majority. "Many are dissatisfied with the present Government's China policy. We are drifting. There is no real policy." "The Manchurian question is always considered by Japanese as a question by itself. The people still remember blood spilt there in the Russian war. We do not desire political control but want economic stability. That means peace and order." "Of course it is clear that the Japanese cannot compete in trade individually with the Chinese in Manchuria. This is true

also of farming. The Chinese can live on less. Already in Dairen 70 or 80% of the stores are run by Chinese. The Japanese can not compete with them. Japan needs the raw material of Manchuria and the security of the Railroad and other investments. The policy to China is already changing. I am confident that Yoshizawa will this time settle things regarding Tsinanfu with Wang, (This was the day before the favorable outcome of the negotiations was announced). The old Tanaka policy can not be continued."

A pleasant evening was spent with the elderly member of the House of Peers. Everything that Tanaka stood for was anathema to him. The China policy was merely one of his many grievances. Knowing him to be a keen student of the philosophy of Civizilization, I asked him what he considered to be the chief contributions of the old Chinese civilization to the modern world. He replied "The wonderful stability of the old system has much to be admired. We do not want the same system again but the quality of stability will again re-emerge in the new China after the present changes have taken place and a more settled time comes. There is much too little in the local self government of ancient China. People knew how to manage their own local affairs. They compare well with English local government achievements. Then, too, China has taught us all a lesson. (here with a mischievous mile,) in how to get other countries to fight wars for us."

The persons represented did not of course represent all elements in Japan—no conservative member of the Seiyukai, the Governmant party was seen. The bureaucrats of the Board of War were not interviewed. But these men, represented a powerful group in the House of Peers, that most conservative of the two houses, Japanese Labor, the intellectuals and the majority opinion of the Press. These opinions are not the sporadic ideas of a few radicals. Many of them would find immediate incorporation in the policy of the opposition party, the Menseito led by Baron Shidehara.

One is impressed with the wisdom and sanity of the present Chinese Government in dealing with the Japanese problems. Chiang Kai-shek's refusal to be stopped at Tsinanfu and to fight it out, the lack of retaliation against Japan's Manchurian mandates, the refusal to give the Militarists a grievance—has strengthened liberal sympathy in Japan. More patient waiting, a stronger centralized control in China, accompanied by the rise to power of liberal Japan, has promise of solving what seemed a few months ago most dangerous problems.

Tokyo, March 8, 1929.

A Dramatic Protest Against the Tanaka Regime

A *Reuter* telegram from Tokyo, March 13, stated that a political fanatic named Oyama attempted to commit "hari-kiri" (suicide by cutting the abodomen) in front of Premier Tanaka's official residence. He carried a document expressing profound indignation at the Tanaka regime, accusing the Premier of "faulty administration", and asking him to resign.

Dr. David C. T. Yui Says China Sees Model in America

Dr. David C. T. Yui, general secretary of the National Committee of the Chinese Y. M. C. A. at a luncheon given in his honor last month in New York by the Y. M. C. A. National Council on behalf of the National Chamber of Commerce of China, expressed gratitude to the United States for its recognition of the new Chinese Government, adding the hope that aid in the revision of treaties and other steps toward the economic rehabilitation of China. One phase that is uppermost in the minds of Chinese people today, Dr. Yui said, is that "a new China" exists. In pointing out the objective in the development of the country, he first referred to the political situation, expressing the belief that in continuing to unify and consolidate the country, the Chinese people would turn their backs on any attempts to establish a monarchy or dictatorial form of government. Instead, the trend was toward a democracy, he said, and China looked to the United States for the best example of democracy.

Dr. Yui is expected back in Shanghai end of this month.

National Chinese Chamber of Commerce Upholds Chinese Medicine

In view of the recent decision of the National Conference of the Chinese Ministry of Health to abolish Chinese medicine and limit medical practice to foreign-trained doctors, the National Amalgamated Association of Chinese Chambers of Commerce has, dispatched telegrams to the Nanking authorities protesting the said decision as a great menace to the civilization of China and urging that the decision of a few tens of foreign-trained doctors should not be allowed to deprive millions of Chinese doctors from practicing their professions.

Harrington Emerson, American Efficiency Expert, Sees Sun Fo

Harrington Emerson, world-famous American efficiency engineer, recently arrived in Shanghai from Japan. He had a long conference with Sun Fo, Minister of Railways, on the subject of introducing modern efficiency methods in China's transportation systems. Mr. Emerson had been in Japan for several months advising the Japanese government on similar lines in connection with the reorganization of the railway system in Japan. Mr. Emerson was born in Trenton, New Jersey, and is 76 years of age. He received his education at the Royal Bavarian Polytechnic and in universities in Italy and Grcece. Between the years 1896 to 1898, as the American representative of a British syndicate he examined many industrial plants in the United States, Mexico and Canada. In the early days of the present century he put into operation some of the first long distance mail routes in Alaska and down the Yukon. Later he reported on all the

Mr. Harrington Emerson

known coal deposits of the North American western coast, and also made a report on the northern submarine cable route to Asia which was largely followed by the War Dept. in laying its Alaskan cables. Mr. Emerson gained particular recognition on account of results obtained by efficient methods installed on the Santa Fe Railway System. He is a Member of the American Society of Mechanical Engineers, the Societe des Ingenieurs Civils de France, of the Master Mechanics Assn., and many similar societies. He is a member of the following Clubs: Engineer's, Railroad, Aero, Columbia Yacht (New York), and Old Colony. Mr. Emerson has published a number of books, among them being Efficiency as a Basis for Operation and Wages, and The Twelve Principles of Efficiency. In 1921 he was a member of Herbert Hoover's Commission for Elimination of Waste in Industry. Mr. Emerson's business address is 30 Church St., New York City.

Adviser to Ministry of Railways Arrives in Shanghai

W. B. Poland, Financial Adviser to Ministry of Railways, has arrived in Shanghai to take up his duties. Mr. Poland is a graduate of the Massachusetts Institute of Technology, From 1907 to 1915 he was vice-president and chief engineer of the Philippine Railway Company and director of the Pacific Commercial Company. He became Director in Belgium of the Commission for Relief in Belgium in 1915 and also an Engineer member of the American Military Mission to Asia Minor and Trans-Caucasus under General Harboard in 1919. He served as a member of the Millespaugh Mission to Persia and served for two years as Director General of Persian Railways. Mr. Poland is a member of the American Society of Civil Engineers; of the Western Society of Engineers; of the American Railway Engineering Association; also a Fellow of theRoyal Geographic Society.

The Left Wing of the Kuomintang

BY HARRY PAXTON HOWARD

T. C. Woo's book, "The Kuomintang and the Future of the Chinese Revolution," is a good statement of the "left" Kuomintang viewpoint.* It gives not only the viewpoint on party affairs, but on national and to some extent on world affairs. Though a timely work in consideration of the approaching Kuomintang Congress, it has unfortunately been somewhat delayed in publication, so that it comes down only to the latter part of 1927, before the work of political and national unification of the past year had been got under way. Some of the author's remarks on the future outlook of the Chinese Revolution, therefore, call for alteration in the light of recent developments.

Some will remember Mr. Woo as head of the Department of Diplomatic Affairs in the Foreign Office of the Wuhan Government, under Eugene Chen. He is a graduate of Illinois and of Harvard, and joined the Kuomintang in 1926. Entering the Foreign Office the same year, he was Mr. Chen's assistant in the negotiating of the Chen-O'Malley agreement early in 1927. A few months later he joined the hegira to Russia of Mrs. Sun Yat-sen, Eugene Chen, and others. Accordingly, his education and contacts have pretty well qualified him for the work he has taken up in this book.

Sun Yat-sen's Principles

Mr. Woo's presentation of the fundamental principles of the Kuomintang, as set forth by Dr. Sun and generally accepted by the Party, is an excellent one. There is no attempt to alter or distort Dr. Sun's doctrine. Even Dr. Sun's ideas on population, which intelligent men now realize to have been completely erroneous (Wu Ts-hui, Hu Shih, and many other scholars testify to this), Mr. Woo presents in its pristine purity. There is the same faithful presentation of other points the correctness of which, even to Mr. Woo, must appear questionable to say the least.

The only point where Mr. Woo's interpretation appears to differ from the original is on the point of cosmopolitanism. "In the opinion of Dr. Sun," says Mr. Woo, "this doctrine (racial unity) should possess the values for the future of China, namely, to serve as an instrument for China's existence as a nation and *to serve as the way to cosmopolitanism.*" Here Mr. Woo's own cosmopolitanism has probably led him into error. Dr. Sun's own expression is: "Those young students who prate about the new culture and espouse cosmopolitanism, saying that nationalism is out of date, might have some ground if they spoke for England and America or even for our forefathers, but if they think they are speaking for Chinese today, we have no place for them .... The cosmopolitanism which Europeans are talking about today is really a principle supported by force without justice .... The Chinese .... pacifist morality is the true spirit of cosmopolitanism. Upon what ... can we ... build up this spirit?—Upon nationalism .. ... We must talk nationalism first if we want to talk cosmopolitanism ... Let us revive our lost nationalism and make it shine with greater splendor, then we will have some ground for discussing internationalism." The meaning of which, supported by many other declarations, is clearly that nationalism is the only doctrine for China today. Cosmopolitanism is a dangerous doctrine to Dr. Sun, but to be broad-minded, and not too far from the currents of contemporary world thought, he suggests that some time, in the far future, it may be "discussed." Which is rather different from Mr. Woo's interpretation, —and possibly different from Mr. Woo's sentiments.

And Mr. Woo uses the word "democracy" in a rather unfamiliar sense when he declares that "whatever its future and vicissitudes, democracy as a form of government has come to be firmly established in China." When did this happen?

Frankness and Clarity

But in general it must be said that Mr. Woo's is the most informative work that has appeared in the English language on Kuomintang principles, history, methods, and organization. It is extraordinarily straightforward and frank with regard to those things, and the writer's description of how the First National Congress of Representatives was chosen in 1924 (the Reorganization Congress) is nothing if not candid. It is clear that the majority of this congress (including Dr. Sun's own appointees) were chosen right in Canton. And it was here that the reorganized party made the turn to the left which was to result in the momentous changes of the years following.

Whatever may be said to the wisdom of the course adopted, there is certainly no doubt as to the late Dr. Sun's attitudes. He was the lender, organizer, and prime mover in the new policy. This is a matter of common knowledge, of course, among the older Kuomintang men, though there are many who prefer not to advertise the fact. But in this book are set down in English the most important declarations of Dr. Sun himself on the policy of the Party. In addition to an excellent analysis of the San Min Chu I, there is a summary of the "Outline of Reconstructive Policies," and many direct quotations from speeches, statements, and various writings of the revolutionary leader. There is no other book in English, and probably none in Chinese, which so well and so clearly sets forth Dr. Sun's social and political philosophy, particularly in the last years of his life. This gives a special and unique value to the work.

The "Left Wing" Policies

The three special characteristics of the Kuomintang left wing were Dr. Sun's policies in his last years: Co-operation with the Chinese Communist Party, support to the labor and peasant movements, and co-operation with Soviet Russia. "The Left Wing stood on all three of these policies, not less firmly on co-operation with the Communists than on the other two." Mr, Woo devotes a chapter to the elucidation of each of these policies.

In setting forth the Russian policy of the Kuomintang, it is unfortunate that Mr. Woo, besides indulging in well-deserved criticism of those foreign writers who could see in the Chinese upheaval only "the direct result of propaganda directed and financed from Moscow with a view to the Bolshevizing of the 400,000,000 Chinese" makes some comments on Russo-Chinese relations which are simply not in accordance with historic facts. "Across the long frontier border the two peoples have always mixed together ... The Chinese know the Russians, perhaps, even better than they do the Japanese. And culturally Russia is in closer relationship with the Chinese than the English is to the Russian." This is the basis of Sino-Russian relations, according to Mr. Woo, and "no alliance ... between two countries is possible today if the peoples of these two countries are ... averse to each other ... This was true of Europe when the social conditions in Russia were so repugnant to the people of England that a rapprochement ... was arrived at with much difficulty ... What was true thirty years ago is certainly more true today."

Mr. Woo's argument here is that the Chinese people today have "progressed in education and in democratic sentiments" over the people of England of thirty years ago, so that their foreign relations represent popular inclinations. Further he tells us, after referring to the "intervention and blockade and forceful isolation of Russia by the West," that "the relationship between China and Russia is not tainted by such hostile acts on the part of China; it is not even tainted by any suspicion in that direction ... During all the years when the the West was adopting... active hostility towards Russia, China was maintaining an attitude of patient waiting and watchful disinterestedness." Further he explains that "China and Russia are both proletarian or non-capitalist countries; there is therefore no hostility on the part of China toward the sort of civilization that the Russians thought best."

Extraordinary misstatements such as those quoted, which are so obviously untrue as to call for no correction here, tend to detract from Mr. Woo's main argument,—the revolutionary factor, which"is decidedly the most important and the immediate determinant of the three in bringing about the close relationship between these two great countries of the Far East." Here our young writer is on much firmer ground.

The Kuomintang's Russian Policy

The recent relationship between Nationalist China and Soviet Russia was "based on broad existing political facts, and dictated by political necessities on both sides... (Russia) found that the political and revolutionary necessity of China affords much ground for revolutionary affinity, (and) stretched her hand across the border to make a fast and binding friendship... cemented by the spirit of revolution on both sides... (and) facilitated by the presence... of Dr. Sun, who grasped at once the immense significance of such an intimate friendship."

It is natural that two countries in revolution, threatened by the predatory activities of imperialist powers, should make common cause. That there are possible dangers in such an alliance is also clear, when we consider that one of these countries is strong, forcibly united, and controls an international organization aiming to bring the world under its joint hegemony, while the other is weak, disunited, and divided by wide divergences of interest and a minimum of solidarity.

Such dangers as are involved must of course be guarded against, but this by no means negates the value of an alliance. The case of Turkey is not quoted by Mr. Woo, but might well be, as an example of a people who had overthrown an old empire, and threatened with Imperialist partitioning joined hands with Soviet Russia in self-defence against common foes,

* The Kuomintang and the Future of the Chinese Revolution, by T. C. Woo. Published by George Allen and Unwin, Ltd. London 1928.

establishing and maintaining their independence without permitting Bolshevism to destroy the new state. There is no reason to believe that Chinese statesmanship is so hopelessly inferior to Turkish that the same thing is impossible for China. It may be summed up by stating that the most intimate relations may be established with the Russians, but precautions are necessary at times.

It is unfortunate that Dr. Sun, like most of his "left wing" followers, saw the Russian revolution through the rose-tinted glasses of Soviet agents for the most part. The unity achieved by the Soviet Government in Russia, while China was still divided and the Kuomintang itself at the mercy of militarists, could not fail to impress. The Chinese failed to see how much the essential principles of the revolution had been sacrificed in the achievement of this unity, and the tendency was to regard the Russian Revolution as an "achievement in raising the status of that nation from the abyss of half-slavedom to that of political liberation." Dr. Sun himself declared that:

"Russia had her revolution six years after the revolution in China. But the Russian revolutionary party not only destroyed the most powerful of imperialist states, but went further in searching for a solution of world economic and social problems. This revolution is indeed a thorough-going revolution. It is because their methods are good."

It was as "experts in revolution" and "masters of the revolutionary art" that the Russians were welcomed to "put their experience at the disposal of the Kuomintang" and "help the Kuomintang to improve revolutionary methods." The results are long since clear. Nevertheless, these results by no means invalidate the principle set forth in Dr. Sun's will and accepted and memorized by millions of the Chinese people today,—"to unite with those races of the world who treat us as on an equality, and struggle together." It is by no means necessary to sacrifice independence to this principle. Russia's other neighbors maintain friendly relations with her without any sacrifice of independence.

The Chinese Communist Party

Diplomatic relations between Russia and China are a question of far-sighted foreign policy. It is unfortunate that the misguided enthusiasm of some Chinese revolutionists made it a question of domestic policy. Friendly relations between the Soviet Government and the Chinese Nationalist Government in no way involve co-operation by the Kuomintang with the Chinese Communist Party. (Consider the amicable relations between Bolshevik Russia and Fascist Italy.)

Nevertheless, co-operation with the Chinese Communist Party was a policy of the Kuomintang three years ago. It is (or rather was) a serious question for the Nationalists. Mr. Woo gives a very fair presentation of the relation between the Kuomintang and the Chinese Communist Party. In general, his argument is that the Kuomintang and the C. P. are working against a common foe. The C. P. wishes to go much further than the Kuomintang, but for the time being they can work together, and this co-operation with the "party of labor" is necessary for the success of the people's revolution. This is the old "left wing" policy.

The main difficulty is that Mr. Woo doesn't seem to know what the Communist Party is, and what it aims at. His statement that it "aims to bring about a socialist regime in China" is probably correct,—ultimately. Practically, however, it aims at its own dictatorship, which it calls the "dictatorship of the proletariat." Mr. Woo "cannot blame the Communists for wishing to introduce into China some such government as obtains in Soviet Russia, for to the Chinese Communists who have been to Russia,. . the orderly government of Russia is certainly preferable to the chaotic conditions under the imperialist and militarist rule of China." But after all, it is not a question of blaming some individual Communist. It is a question of whether the Kuomintang could maintain itself in power if it gave special protection to the Chinese Communist Party,—a party secret, strongly subsidized, and organized by "revolutionary experts" for the actual seizure of political power in the country. Futher co-operation with such a body would be suicidal, and it is not likely that this question will ever come seriously to the fore again. If Mr. Woo thinks a Communist dictatorship would be a good thing for China, he should work for it. But "cooperation" between the parties is out of the question. (Which does not mean that savage terrorism, and the murder of consular representatives, is the proper way to deal with Communism.)

Labor and Peasant Movements

There is really no connection between a policy of promoting the interests and improving the conditions of the working masses on the one hand, and co-operation with the Communist Party on the other. Mr. Woo, like most of the old "left wingers" ties the two together. In fact, however, such organizations as have been formed in the west by workers or peasants themselves for the protection or promotion of their interests, or by public bodies of wider scope for the improvement of social or economic conditions generally have rarely co-operated with the Communist Party, and have usually met bitter opposition and all possible obstruction from the C. P. This is the situation today, generally speaking, and only the most abysmal ignorance of the social and labor movements of the world could lead to such a misunderstanding as Mr. Woo's.

But aside from this, the study of labor and peasant movements in this book is very good. The large amount of tenancy, the destitution of the mass of the peasantry, the conditions of labor are touched upon (though with the gross misstatement, mostly untrue, that "Chinese labor is under the foreign capitalists"). Dr. Sun's own conviction that "the biggest problem for Chinese labor is political" is also quoted.

The history of the Kuomintang with reference to these social problems is traced, and it is shown how the revolutionary party, from an original basis mainly of students and overseas merchants, broadened its work to the declaration in 1926 that the Chinese Nationalist Revolution "is especially an agrarian revolution," which Mr. Woo defines as "the forcible seizure of land from the big landlords who do not cultivate it and distributing it to those who till but do not have the land."

It should be noted, however, that this declaration was made after Dr. Sun's death, at the Second National Congress where "the influence of the Left Wing of the Kuomintang reached its height." The furthest that the 1924 Congress went was to propose a land law aiming at equalization and recognizing the Kuomintang as "engaged in the struggle against imperialism and militarism—that is, against the classes opposed to the interests of the peasants and laborers, emancipation it aims to secure.....A struggle for the peasants and laborers . . . . in which (these) struggle for themselves." There is a most important difference between this attitude, regarding the revolution as a popular one against imperialism and militarism which would destroy these enemies of the common people and make possible an enlightened social policy (undoubtedly Dr. Sun's attitude), and the position that the special task of the revolution is the forcible expropriation of the big landlords in the interests of the propertiless peasantry. This difference Mr. Woo describes as that between political revolution and social revolution. It might also be described as that between social revolution (aiming at fundamental social changes in the interest of society as a whole and tending towards equalization), and Bolshevik revolution (aiming at civil war and chaos which would permit the strongly organized C. P. to seize power and establish their own dictatorship in the interests of themselves, self-named "the proletariat").

Mr. Woo gives figures for the labor movement which are apt to be misleading, as he refers to these big mass organizations formed for political purposes under Communist domination as "genuine labor organizations," which is precisely what they were not. Also, in speaking of "economic conditions of the peasantry" and agrarian revolution, he cites the "Red Spears" of Honan as a foreshadowing that "the peasants of the country will rise in arms." The "Red Spears" of course have nothing to do with agrarian revolution, but are only the self-defence of the peasantry, prosperous or poor, against bandits in or out of uniform.

The Present Struggle in the Party

It is more than a year since Mr. Woo's book was written, and it is impossible to say now, as it was then, that "imperialism in China today is more powerful than before." Peking has fallen, Manchuria has accepted the Nationalist Government, and imperialist states are coming to terms. Certain things, however, remain true. Now as then "the bankers and bigger merchants (of Shanghai), taking advantage of the financial stringencies of the Nanking Government, are using all pressures to bear on the Government to curtail labor activities and to hamper the development of labor in general." Now as then militarists are powerful (though there is fortunately an armistice at present), and "civil authority has yet to be constituted" (though much is being done in this direction).

It may be noted that Mr. Woo, after dealing with economic and social conditions through many chapters without a hint of a population problem (presumably because it was not dealt with in an official resolution), finally discovers its existence in connection with militarism, which he correctly states is fundamentally a question "of the pressure of population on the existing means of subsistence." Just how he fits this in with his unquestioning loyalty to Dr. Sun's every pronouncement, including the fear that China's population is not increasing rapidly enough, he does not explain. And yet in sober fact, this pressure of population is the greatest factor in the destitution and economic subjection of China's masses, and unquestionably the main cause (with banditry, itself largely a result of excess population) of the increasing misery of China's hundreds of poor villagers.

The United Front

With all Mr. Woo's errors of detail, his deliberate misstatements (a glaring example of which is his description of

(*Continued on page 112*)

Gold in the Far East

BY BORIS P. TORGASHEFF

Sometime Lecturer of the Peking National University

(Concluded from last week)

Taking all the above into consideration, P. I. Polevoy estimates the *actual average annual gold production* of pre-war times in the whole Russian Far East (Amur, Maritime and Zabaikal Provinces) *to have been 1.500 poods or 24.570 kilogramme.*

During the war the production of gold in the Russian Far East considerably increased and for the four years of 1914-1917 the average annual figure was 1.800 poods or 29.485 kilogramms, declining on account of the civil war in the year 1920, to 60 poods or 983 kgrs.; a minimum from which it has risen to approximately 720 poods, or 11,794 kgrs as per the official data for the fiscal year 1924-25, or 48% of the pre-war output.

The table below adduced gives the official data on the production of gold in the Russian Far East for the period from 1910 to 1927, inclusive:

Table 6.

Gold output officially Registered by the Gold Smelting Laboratories of the Russian Far East.

Year	Zabaikalia.	Amur & Maritime Provinces.	*Whole R.F.R.* Poods.	Kgrs.	Notes.
	P o e d s .				
1910	246,0	548,0	1.794,5	12,950	"Soviet
1911	—	—	1.336,5	21,793	East", 1923,
1912	—	—	1,334,8	21,760	published by
1913	—	—	1,317,0	21,467	"Economic
1914	—	—	1,227,2	20,000	Life "No. 11,
1915	—	—	997,4	15,925	1925 Data
1916	—	—	564,5	9,247	of P. Polevoy
1917	163,0	407,0	570,0	9,337	
1918	67,0	277,0	344,0	5,007	Data of
1919	19,0	64,0	83,0	1,359	"Mining
1920	8,0	52,0	60,0	983	Journal"
1921	5,0	62,0	67,0	1,097	No. 1, 1925.
1922	34,0	130,0	164,0	2,673	
1923	60,0	177,0	237,0	3,863	
1924	80,0	283,0	363,0	5,982	Data of B.
1925	—	—	507,0	8,264	Kosminsky.

The greater share of the output has always been furnished by the Amur Province.

The official figures given out by the government mining administration, however, are considerably lower, as may be seen, for example, from the table below adduced, taken from the official "Annual Statistical Book", for the Russian Far East for the year 1923-25:

Table 7

Gold Output Officially Registered by the Mining Administration of the Russian Far East

Year	Poods & lbs.	Kilogramms	Percentage to the annual average of the 1910-1916 period
From 1910 to 1916, average	760-00	12.449	100
1917	473-28	7.759	62
1918	223-22	3.662	29
1919	64-32	1.061	9
1920	40-13	661	5
1921	26-35	440	4
1922	51-28	847	7
1925	164-00	2.686	21

As already mentioned, these are but the output figures officially registered by the mining administration, the actual production being far greater, especially since the years 1923-24. Valued in pre-war roubles, the output reached, by the year 1925-26, Rbls. 16,927.000, or 40% of the 1913 output, when it was set at Gold Roubles 42.317.000, (Nov. 10 of *"Economic Life"* for 1925).

The general situation at the recent times of the gold mining industry of the Russian Far East, as compared with the year 1913, may be gauged by the following table "Annual Statistical Book for the Far East" for 1923-25), showing the amelioration commencing with the year 1923:

Table 8

Condition of Gold Mining Industry in the Russian Far East in 1923-25 Comparatively to 1913

	1913	1923-24	1924-25	% % of 1913.
1. Probable number of workmen employed...	50.000	13.000	15.500	31%
2. Officially registered gold output, in poods	760	—	164	22%
3. Gold smelted, in pds.	1.326	364	507	38%
4. Probable amount of gold produced, in pds.	2.000	550	720	36%
5. Value, pre-war prices in thousands of Rbls.	42.317	11.637	15.234	36%
6. Value, present prices in thousands of Rbls	—	8.237	15.234	—

Table 9

Gold output in the Russian Far East in 1925-26

After the publication "Industry", Issue II, 1927, of the Russian Far Eastern Statistical Board, Habarovsk/.

Districts.	Government enterprises	Cooperatives.	Private parties. /"Arteli"/	Total.
Chita district.....	345.7	306.6	56.4	708.7
Sretensk district.....	1.849 2	77.1	145.6	2,071.9
Zeya district.....	598.9	9.4	118.9	727.2
Amur district.....	422.4	—	106.8	529.2
Vladivostok district	—	—	37.9	37.9
Nikolaevsk district	136 2	—	212.2	348,4
Total.....	3,352.4	393.1	677.8	4,423.3

The great role played by the Far East and, in general, all Eastern Siberia, i.e. the Russian Far East plus the Yakutsk and Irkutsk Provinces, may be seen from the following comparative figures for the three most representative pre-war years:

Table 10

Pre-War Gold Production of Russia (in pood of 16.38 ugrs)

Year	All Russia.	All Eastern Siberia.	Russian Far East In poods.	% of total output.
1911	3.176	2.538	1.336	42
1912	3.945	2.534	1.335	45
1913	3.032	1.968	1.317	43

The difference between the output of the Russian Far East and the whole of Eastern Siberia was produced chiefly by the output of the Lena mines in the Yakutsk Province, where the gold production, as compared with the year 1913, decreased, likewise, solely on account of general political causes and not from any exhaustion of their reserves. Thus the Moscow *"Mining Journal"*, Nov. 2, 1925, gives the following figures for the Bodaibo Region:

Table 11

Gold Production of Lena Mines

Year.	Poods.
1913	716
1921	59
1922	158
1923	289
1924	412

As already mentioned, the chief obstacle in the path of rational exploitation of the gold reserves of the Russian Far East is the absence of even at all tolerable ways of communication with the gold bearing regions.

Rich gold deposits in very numerous localities must remain lying idle in view of the difficulty of transporting supplies and machinery to those places. We can mention, as an instance, such facts actually having taken place, as the transportation of a dredge from Blagoveschensk to a comparatively not distant locality, up the Selemja River, which cost more than the combined cost of the dredge and the expense of its transportation from America to Blagoveschensk. The tragedy of the past two —three years of the newly-discovered extraordinarily rich Tommot region, has shown instances when people were frequently willing to pay for flour its weight in gold dust.

This is responsible for the fact that in the Russian Far East it was not those who washed the gold who got rich, but those who sold in the gold mining camps the supplies and, of course, alcohol.

No slight obstacle, naturally, is the scarcity of population, which forces the employment in the gold mining industry of the Russian Far East of Chinese and Korean labor to such an extent that Russian mine workmen generally formed only 10% of the total labor employed in gold mining, as may be seen from the following table compiled by P. Polevoy for the year 1915:

Table 12

Labor in the Gold Mining Industry of The Russian Far East

Chinese	76,2 %
Koreans	13,4 %
Russians	19,4 %
Total	100 %

In pre-war times, the total number of workmen employed in the gold mining industry of the Russian Far East was figured as 50.000. According to official data for the year 1924-25, the total number of hands employed was only 15.500.

(Continued on page 124)

The Problem of the Branch Political Councils

BY CHUN-YUNG LEE

Now that the period for political tutelage is at hand, the Government has before it the problems of National reconstruction, treaty revision, governmental organization, and disarmament. All sorts of questions come to the fore for discussion, decision, or settlement. The question of whether or not the Councils in Canton, Wuhan, and Peiping should remain, is the subject upon which official and unofficial discussions center most, Whether or not those arguments pro and con as advanced by both political bosses and common people are for any ulterior purpose in politics, I will not attempt to answer. But being desirous of knowing the truth and truth only, I like to enter upon a discussion in order to analyze the situation and to find, if possible, some suggestions which, I trust will be for the good of the whole nation rather than for any political cliques or factions.

Its Origin and Importance

The preamble of the Organic Law of the National Government of the Republic of China reads:

> "The Kuomintang of China. . . .having swept away and removed all obstacles by military force and having passed from the period of military conquest to that of political tutelage, now must establish a model government based upon the Five-power Constitution to train the people so that they are able to exercise their political powers and facilitate the Party in hastening the handing over of such powers to the people.
>
> "Accordingly, the Kuomintang, in fulfilling the duty of direction and supervision of the National Government devolving upon it by virtue of its history, hereby formulates and promulgates the law governing the organization of the National Government."

Thus the Party organizes, directs, and supervises the government. The manner of its organization may be here briefly described. All the Kuomintang delegates throughout the country hold a National Congress by which the Central Executive Committee is organized. The Central Executive Committee in turn elects or rather appoints members to form the Central Political Council. This Central Political Council is omnipotent, for it is the only organ which, responsible to the Central Executive Committee, considers all political questions of the nation. It approves of all the members of the State Council, the other self of the government; deliberates on all important legislations; and determines internal and external policies, including declaring war and making treaties. It is not too much to say that the Central Political Council is *ipso facto* the government of China, and indeed, it is more than a government.

From what has been just said it is apparent that by this body, and this one body only, all important questions of China are to be decided! In other unitary states where the Central Political Council does not exist and the governments in name are governments in fact, the central governments are under necessity to devolve a part of their duty to their local government. That is why Great Britain and France, during recent years, have adopted the policy of devolution. On the other hand, the tendency of centralization is going on in the U. S. A., Switzerland, and other federal states. But this is due to historical differences and at the same time it should be noted that none of the central governments in those countries can care for local governmental affairs adequately. Likewise, for the sake of expediency and efficiency, the Central Political Council, the directing organ of the government of China, should have the help of branch political councils so as to consider questions local in nature thoroughly.

In passing, let us note that China has many difficult problems which are created by the fact that she has a vast extent of territory, a colossal population, a great variety of economic interests in different provinces, and very poor means of communication. All these render the Central Political Council, without the help of branch political councils, ineffective and inadequate to consider problems of the whole nation. The branch political councils, then, are a matter of necessity. *C'est leur raison d'etre!*

China Not a Federal State

In maintaining the existence of the branch political councils, I should make it perfectly clear that they do not make the federation of China for they do not possess the unrepudiatable power of an American state or a Swiss Canton to the slighest extent. Their decisions may be partly or wholly accepted or rejected by the Central Political Council, and they may indeed be reorganized or dissolved at its discretion. Therefore, the existence of branch political councils may not necessarily prevent the centralization of China it is commonly thought by the people. "China is unified but not centralized" is really not the result of the branch political councils. This will be explained more fully later.

False Charges Often Made

However, the branch political councils work not without apparent, but real defects. The one most often raised against it is that it fosters the spirit of localism. Unfortunately most people do not look beneath the surface. Diverse economic interests, dialects, customs etc. all combine to make localism rather inevitable. Japan has no institution resembling political councils of China, yet the clan spirit, like localism in China, still exists today even though feudalism, supposed to be the origin of clain spirit, was abolished in 1868. In China herself when she was supposed to be a unified nation before the existence of branch political councils, the seventeen years' history of the Republic is full of examples of local-spirit expression. Therefore the aboliton of the branch political councils may not do away with the spirit of localism, sectionalism, provincialism, or whatever term you may use.

Secondly the system of branch political councils is strongly complained of as a defect that is utilized by militarists for their selfish ends in territorial occupation, and they will accordingly develop the habit of insubordination and in the end, render a strong centralized government impossible. This can not be denied. But note. Suppose the branch political councils are abolished, will not the militarists maneuver other means by which they can maintain their influence and so render the Central Government as impotent as now? Certainly they will. The tuchun system in the past was for militarists; when the system was abolished, China never had a single strong central government simply because the militarists succeeded to monopolize provincial governments and still could display their independent spirit and set the central authority at defiance as before. Now if the branch political councils are abolished, those selfish mercenary military leaders may either monopolize provincial government and repeat the past history, or, as a worse course, come to the Capital and establish a military government! It may not be unreasonable to say, then, that what we should aim at is not the institution of branch political councils, but tackle the question of how to deal with military leaders who make use of that institution. As to how to deal with the militarists it will be beyond the scope of our discussion.

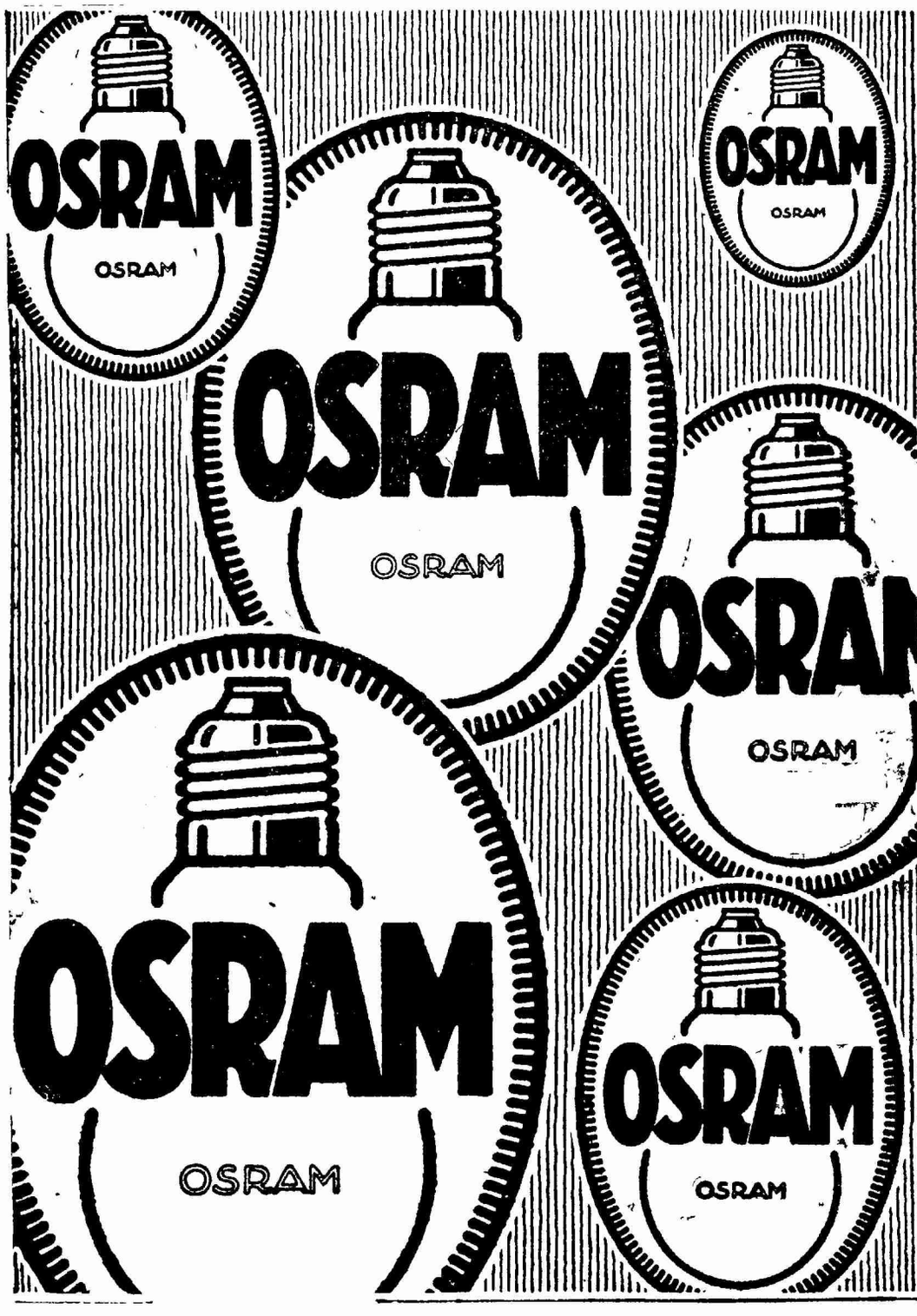
Finally it may be well asked: "Can local governments carry out the orders of the Central Political Council sincerely and successfully without the branch political councils?" In the first place the local governments can carry out in a legal sense the orders of the Central Political Council, but not help it determine policy which is local in nature. In the second place this local government may not, when manipulated by militarists, as said in the foregoing paragraph, obey the Central Government. In the last place it should be remembered that this period is for political tutelage under which party guidance is strongly emphasized. Working before the eye of the branch political councils, the local government will undoubtedly assume greater responsiblity in administration and may be corrected by the branch political councils whenever they commit mistakes.

Modifications Necessary

From what has been said in the preceeding paragraph, we can see that it is essential that the continuance of this system should entail a modification of the present practice, because for each provincial government, and for several, *if* convenient, a branch political council will be created. Thus the number of the branch political councils will be so made as to suit the needs of different parts of China rather than so created as to satisfy the most-craving lust of selfish influential militarists!

In conclusion I should say that the system of branch political councils has its place in the present period of political tutelage. Its carrying out may be accompanied by some undesirable results. These results are not necessarily brought about by the system itself. Instead of abolishing it, then, we should rather seek the removal of the causes of such evil results. This task will tax the highest ingenuity of political and social leaders. If any one still maintains that there is a well-knitted connection between the system of branch political councils and the impotence of the Capital let him abolish the local branch political councils, but not forget to remove the true causes of their apparent, but not real results.

Shanghai College, March 5, 1919.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China's Call For Immediate Construction

BY SUN FO,
Minister of Railways

Four years have elapsed sinced our leader, Dr. Sun Yat-sen died. Since then, every day, especially March 12, the day he left the World, his instructions, particularly these his few words "*Onward, Comrades, to the Completion of our Revolution!*" have been lingering in our ears and the responsibility of finishing his unfinished work has been pressing on our shoulders.

On this Twelfth Day of March, we, his followers, can comfort his spirit with several memorable accomplishments. Firstly, our leader's wish to unify China with his revolutionary army has, due to the efforts of our armed comrades, been accomplished. Secondly, the insidious influence of the Communist Party which deceptively plots to absorb his legacy, the Kuomintang, has been wiped out. Thirdly, we have begun our journey to Political Tutelage which Dr. Sun Yat-sen so repeatedly showed us to follow at the conclusion of the Military Era. Particularly satisfactory is the work of the Disbandment Conference which effects the immediate conversion of the troops into economically productive units. The convening of the Third National Kuomintang Conference in the immediate future will consolidate the Party. Our nation has left military destruction and gone into political construction. The rare and precious opportunity of national construction has now presented itself.

We all know that what Dr. Sun Yat-sen wanted, during his whole life, was Revolution, with Construction as the ultimate goal: the destructions during the revolution were only means to an end. In other words, revolution without construction will be a body without a soul.

A Period of Trial

On the other hand, since the outbreak of the Revolution in 1911, eighteen years have elapsed, our people have sustained enough loss and gone through enough sufferings during this period. The miserable phenomena such as the superabundance of unemployed youths and the enormous number of the starving, that confront us call for our immediate attention. Whether our Kuomintang can continue to exercise China's political power from now on or not and whether the reactionaries can succeed in making troubles all depend on to what extent our energy is devoted to constructive work. If we can really and sincerely devote our energy to constructive work, such phenomena and the people's longing for improvement will be a good foundation for our Party's Constructive Program.

Having been given such a golden opportunity, it is up to us to avail ourselves of it. Our present question, then, is how we can avail ourselves of this opportunity to the utmost extent.

Studying Dr. Sun Yat-sen's instructions carefully, we can readily realize that, for the present, our constructive work should include the following:—

I.—Economic Construction, and the Promotion of National Welfare. The most important of Dr. Sun Yat-sen's Principles is the Principle of the People's Livelihood, the aim of which is to give all of the 400,000,000 people in the Republic of China equal economic development. Our leader showed us two ways to reach this goal, namely: (a) from the productive point of view, to develop our national wealth and (b) from the distributive point of view, to regulate capital and to equalize landownership. With the misery and poverty of present day China in view, the solution of the productive problem should come before that of the distributive. Without first developing our wealth, we will not have any capital to regulate, nor will our land ownership be worth equalizing. Therefore, I repeat that our first national problem is the problem of Economic Construction and that in our Economic Construction our first problem is the problem of the Development of our National Wealth. For the solution of our first problem, we should clearly understand and apply the following three principles:

A Solution of the Problem

1. Curtailment of non-productive consumption, except absolute necessities.
2. Devotion of the whole nation's available revenue to Construction.
3. Employment of equitable reciprocal foreign loans and investments to hasten the materialization of Dr. Sun Yat-sen's Scheme of Industrializing China.

These are absolute necessities for the development of national wealth in China. As to the questions of where and in what should the capital be invested, we can reply that the most profitable and the most needful enterprises should receive our first and foremost attention. The Communications System, particularly the Railway System, is the most profitable and important of all. This is why I hold that at least 50% of the nation's total revenue should be devoted to construction and that at least 50% of the construction funds should be devoted to the building of railways. Were this idea carried out, China will have, even in the course of five years, her national wealth considerably developed. This is Economic Construction. This is the kind of construction that Dr. Sun Yat-sen wanted. And to this we should devote all our energy.

II.—Political Construction—the Development of Local Self-Government.

Our Party's political doctrine is the Principle of Popular Sovereignty: hence to develop popular sovereignty is our biggest political work. In order to apply this Principle we must first of all, attain two objects:—

(a)—The organization of a five power government.

(b)—The training of the people to exercise their political powers.

The inauguration of the five yuans which took place last year laid an excellent foundation for the application of the five power system. Since then, the gradual systematization of the Government's administrative machinery and the recognition accorded to China by one Power after another speak eloquently for the National Government's political work. But all these are not fundamental measures of political construction. We must, above all else, train up the mass of our people to exercise what our revolution acquired for them, their inherent political powers. In other words, we must, above all, lay a good foundation for local self-government, failing which, no matter how well the government is organized and run, the political powers will be exercised by the soldiers, the officials or the gentry which constitute only a very minority of the population. Instead of a democracy, such a government will be a military, civil or gentry bureaucracy. As from 70-80 percent. of our population is rural population, particular attention should be paid to rural self-government. When our farmers who constitute such a large majority can not participate in our national politics, popular sovereignty in China is a shiboleth. Therefore, we should mobilize all members of our Party to teach the mass to read and write, to imbibe into Dr. Sun Yat-sen's Principles to raise their intellectual standard, to make them understand the privileges the Kuomintang has fought and is fighting for them, to make them know that they themselves, not the soldiers, the officials, nor the gentry, are the masters of the country, and to train them up for both the enjoyment of their rights and the fulfillment of their obligations to the state. It is only by such means that the mass will learn to govern themselves and to exercise the powers of election, recall, initiative and referendum. It is only by the attainment of this that we can claim to have a democracy. This is what our Principle of Popular Sovereignty stands for.

III—Military Construction—the Strengthening of our National Defense.

Our Party's Doctrine of Nationalism aims at the independence and freedom of China and the emancipation of the whole Chinese people. To attain this we can not neglect our national defense. The world today is a world of the Imperialist Powers. No big Power ever neglects preparedness. On the surface, the League of Nations, Disarmament Conferences, and the Anti-War Pacts etc., seem excellent means of eliminating war. But, if not for the impending danger of war why should the Powers devote so much time, money and energy to such means? Our Principle of Nationalism advocates equality of races. It preaches peace. We do not want force for aggression, but we must have enough force to defend ourselves. Our present armed forces can not offer resistance to any strong Power. The Tsinan Outrage last year shold give us a painful lesson. If we want to protect our people and their rights and interests, we should and must pay attention to our National Defense. To maintain such large armed forces that can only participate in civil warfare as those we now have is absolutely useless for our defense work, which requires the ability to manufacture arms, ammunitions, and aircraft, the fortification of strategic points, rapid and efficient means of communications and advanced knowledge of military strategy. Everybody knows that the fate of future wars will be decided by science and industry. The training of scientists and technical experts is therefore something to be immediately accomplished. What we really need now is sincerity in our disbandment of troops and the devotion of half of the former enormous military expenditures on National Defense. When that is done, I believe, in the course of ten years, the status of China in the family of nations will be quite different from the one she occupies today. This is what we mean by our military Construction. And in this we must push ahead.

I hold that the foregoing three kinds of Constructive Work are the most important work for our Party in this Era of Political Tutelage. I earnestly beseech our comrades to abandon the factional disputes and, hereafter, to unite our efforts and divide up the work to collectively strive for the immediate work of National Construction.

*These reflections are called forth by the fourth anniversary of the death of Dr. Sun Yat-sen. (Translated from the Chinese.)

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Geneva and the Opium Traffic

(*Transocean News Service*)

The fortnight's deliberations of the 12th session of the Advisory Committee on Traffic in Opium and other Dangerous Drugs at Geneva (January 17 to February 2, 1929) will be chiefly remembered for the very out-spoken charges of the Chinese Delegate Wang King-ki, against the colonial powers. Wang King-ki, it will be recalled, asserted that so far from combatting opium traffic in the Far East, the foreign concession authorities in reality protected it, and that Chinese suggestions for dealing with the vice had been consistently ignored.

However, as Wang King-ki's remarks were struck off the minutes, they do not properly form part of the deliberations which opened with a tribute to the memory of Prince Charoon who had represented Siam on the Advisory Committee since the first session in 1921 and whose death occurred in October last.

The Committee noted with satisfaction that the Geneva Convention came into force on September 25, 1928. 26 countries had already deposited their ratifications at the Secretariat of the League of Nations and the delegates of Germany, Yugoslavia, Siam and Switzerland informed the Committee that their respective Governments would shortly ratify the Convention.

A Request to Persia

On examining the list of Governments which have forwarded to the Secretariat their annual reports on the traffic in opium and other dangerous drugs, the Committee noted that a number of States, including certain Members of the Council, had failed to furnish a report. The States in question include two that are of considerable importance from the point of view of the production and distribution of opium. These States are Persia and Turkey, whose production amounts to over two million pounds of opium per annum. The Committee has no information concerning this huge quantity and no means of following the distribution of the drug.

Persia has never sent the Committee an annual report of the traffic in opium and other dangerous drugs, but this year the Secretariat has been able to lay before the Committee an extract from the reports of the Persian Administrator-General of Finance dealing with the opium traffic in 1927. The export figures given in this document do not by any means correspond with the Persian opium import statistics supplied by other Governments, and the Committee decided to ask the Persian Government for detailed information on this point.

Improvement in Formosa

The Committee devoted special attention to the examination of the annual reports from Governments. It took the view that this was one of its most important duties, since it afforded an opportunity of keeping in close touch with developments. For instance, the Japanese report furnished the Committee with highly interesting particulars of the steps taken by the Japanese Government to put down opium smoking in Formosa. The importation and consumption of smoking opium in Formosa had greatly declined; the number of registered opium smokers is also continuing to decrease, and the Committee was informed that the younger generation in Formosa is beginning to realise the dangers of the opium smoking habit.

The Japanese delegate made further an interesting statement regarding a plan prepared by the Government of Korea for a Government monopoly of the manufacture and sale of morphine and other opium alkaloids, and the compulsory medical treatment of all morphine addicts. By these measures the Government hopes to be able to eradicate the improper use of morphine in Korea within ten years.

In France important administrative measures have been taken to enforce the Convention and to strengthen the provisions for the control of the drug traffic. The French representative mentioned also that the Government of Indo-China was contemplating steps to prevent the unlawful export of opium to Kwang Chow-wan and to ensure the effectual application of the provisions of the Geneva Convention.

Grave Situation in Hongkong and Kwantung

The Hongkong Government states, in its annual report, that in order to cope with the enormous quantities of opium that are introduced into the colony, it has been obliged to place a Government brand on the market at a lower price. This policy, the object of which was to freeze out smuggled opium, has had the effect of considerably increasing the sales of Government opium, but this is looked upon as a purely transitory phenomenon.

At Kwantung also the situation is grave, and the Japanese Government called attention to the great difficulties which it was encountering in that territory in its efforts to put down the illicit opium traffic,

The representative of India stated that the illicit imports of cocaine into India are estimated at 41 times the lawful consumption for the entire country.

Illicit Drug Traffic

A new drug factory had been established in Hungary and the raw materials used are of Hungarian origin. The Committee thought it necessary to ask the Hungarian Government to send to its next session a representative who could give the Committee further information as to the working of this factory and the general position of the country.

Switzerland recorded a considerable reduction in the manufacture and export of narcotics in 1927 as the result of the strict enforcement by the Federal Government of the new Drug Traffic Act.

Documents of the seizures submitted since the last session to the Committee showed that the situation in regard to the illicit traffic is still serious.

One of the cases reported was considered by the Committee with particular attention, The Netherlands Government had submitted to the Committee a memorandum on the transactions of the Dutch firm Naarden & Co which has had to give up its business owing to the coming into force of the Geneva Convention and the tightening up of supervision in the Netherlands. This was certainly the most important and most detailed document regarding seizures with which the Committee has ever had to deal and it demonstrated the vast scale on which the illicit traffic was carried on. Although the firm's transactions did not infringe the laws then in force in the Netherlands, it was shown that the narcotics exported by the firm were intended for unlawful purposes. The exports during 1927 and the first half of 1928 were estimated at approximately 1,900 lbs. of morphine, 6,000 lbs. of heroin and 200 lbs. of cocaine. The greater part of these drugs was exported to the Far East, and other documents concerning seizures showed that most of them actually arrived at their illicit destinations. The Committee estimated that this centre of unlawful traffic, which has now been suppressed probably dealt with about half the total world production of heroin.

The Committee attached special importance to the establishment of new works for the manufacture of dangerous drugs in addition to those already in existence, whose output is greatly in excess of the medical and scientific needs of the world. The Committee feared that this may only lead to an increase in the illicit traffic. In a resolution possed at its 11th session the Committee had urged that the Governments should apply to countries in which seizures have been effected to furnish facsimiles of the telegrams sent in connection with smuggling transactions. The replies received from the governments in the matter show that numerous legal obstacles stand in the way of such an interchange of facsimiles of telegrams; the Japanese Government's reply in particular raises the question of whether the International Telegraphic Convention of St. Petersburg, guaranteeing telegraphic secrecy, does not prohibit such interchanges.

When examining the question of seizures at previous sessions, the Committee had noted that the consignment of drugs was practiced on a considerable scale by means of postal correspondence.

In view of the fact that the Far East is the chief destination of this traffic, the Committee proposed that correspondence addressed to the Far East should be concentrated in every country and restricted to a certain number of post offices; this would make it possible more particularly to check any unusual frequency in correspondence addressed to certain suspect consignees. Strict supervision should be exercised as regards the renting of post-office boxes, the name and address of the lessee being carefully checked.

Relations with the Permanent Board of Opium Control

The Advisory Committee has already had occasion at previous sessions to examine the question of its relations with the Permanent Central Board, provided for under the Geneva Convention. In accordance with the provisions of that Convention the Council in December last set up the Permanent Central Opium Board. The Board held its first meeting at Geneva during the XIIth Session of the Committee.

An exchange of views took place in regard to the question of whether the work and powers of the Advisory Committee would be affected in any way by the creation of the Permanent Central Opium Board.

(*Continued on page 108*)

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An advertisement of the Chinese Government Railways.

No. 5

GENEVA AND THE OPIUM TRAFFIC

(*Continued from page 106*)

Two views were advanced in the Committee. The first was to the effect that the creation of the Central Board implied that certain of the Committee's duties, more particularly in the matter of statistics, would in future be transferred to the Central Board. According to the second the institution of the Board would be entirely without effect on the powers of the Committee, whose scope of action, as determined by the resolutions of the Council and the Assembly, would not be modified at all.

After an exhaustive discussion the Committee noted that its rights and duties would be in no way restricted by the creation of the Central Board. Nevertheless, the Committee will be relieved of a large part of its technical work, more particularly the detailed examination of the different statistics. The Committee will continue itself to examine those statistics, though their preparation and searching analysis can be left to the Central Board, the Committee's examination being restricted to what it may consider necessary for its work.

An American Scheme

The Chairman of the Central Board informed the Committee that the members of the Board realised the necessity of cooperating as closely as possible with the Committee, but that they did not desire for the time being to give an opinion as to the actual details of such cooperation. Before expressing an opinion in this question the Central Board desires to study the Advisory Committee's work rather more closely and to acquaint itself fully with its own duties.

The Government of the United States of America drew the Committee's attention to a scheme for the limitation of the output of manufactured drugs which had been submitted to it. In accordance with the suggestion of the United States Government the Secretary-General communicated this scheme in January to the States Signatories to the Hague Convention and to all other States Members of the League of Nations. The more outstanding features of this scheme are the following,

Each Government shall notify in advance for a determined period its requirements of each of those substances derived from opium and the coca leaf that now are, or in the future may be, covered by either the Hague Convention, or the Geneva Convention:

Each Government shall state from which country it will purchase its requirements in narcotic drugs for medical and scientific purposes

Some members of the Committee who were in favor of the general ideas embodied in this scheme asked that it should be taken as a starting point when the limitation and possibly the establishment of a government monopoly came up for discussion at the next session.

The majority of the Committee, while agreeing that the idea of a limitation of the manufacture of naroctic drugs by the means set forth in the scheme was ingenuous, did not think that it could be realised by the means suggested. For this reason it was decided not to take any action in regard to the scheme, but wait for the results of the application of the Geneva Convention which has just come into force and provides a stricter system of control.

Geneva, February 13, 1929.

Mexico Has Another Revolution

Mexico, like China, during the past decade or two has been a country of intermittent revolutions. While China is at present comparatively quiet, although there are clouds in the horizon, another revolutionary movement of considerable proportions broke out in Mexico last week. The recalcitrants are strongest in the Vera Cruz district. They are led by Francisco Manzo and have captured a number of important points, among them Nogales, on the American border, where there is a large Chinese colony. A number of Americans and other foreigners are being held for ransom. The object of the revolutionaries is stated to be to make Dr. Gilberto Valenzuela president of the country. The Mexican trouble was the principal business before President Hoover when he assumed office and recent telegrams state that the Federal Government of Mexico has purchased twenty airplanes in the United States which are being flown from the factories to Mexico by Mexican aviators. At the time of writing the revolution has not been put down, and the indications are that it would continue for a considerable time. The unrest in Mexico, as in China, is accentuated by the fact that through the venality of former rulers, the country has been placed under foreign pressure, although in a somewhat different manner. In Mexico foreign interests secured huge tracts of valuable land; in China the country was saddled with huge unproductive loans. In both instances the net result has been to intensify the load which the great inarticulate mass at the bottom has to bear, which even without the pressure of these foreign irritants is an exceptionally heavy one.

Hu Han-min Discusses Vital Problems

Hu Han-min, President of the Legislative Yuan, recently delivered an address on "Reconstruction, Local Self-Government and Education" over the Central Radio Broadcasting Station at Nanking, in which he emphasized that Dr. Sun Yat-sen taught that the aim of the Revolution was not merely destructive, but also constructive. The people must be given special instruction in revolutionary reconstruction so that China may be kept abreast of the times. At present there are many people who are asking themselves: How shall we solve the problem of livelihood? Mr. Hu said that when he was in Europe he had occasion to discuss China's problems with leading economists and they all stated that there would have to be a national reconstruction in China when the revolution was over. The problem is: what shall be started first and how many things shall be started at the same time? In Soviet Russia the people are trying to solve many problems at the same time and the results are highly unsatisfactory. The late Dr. Sun Yat-sen had handed down to his followers a practical program for national reconstruction. When a network of railways is built by the Government, the districts in the interior will be connected with the cities and the people will make the railways self-supporting. China was now considering the possibility of using the Boxer indemnity for railway construction.

"Many cities in different parts of the country are served by waterways; but some waterways are harmful to us, for they bring famine and flood. The flow of the Nile River in Egypt is reduced to a mathematical precision, but we have no control over our own water systems. Our work should be of a preventive rather than of a relief nature, and river conservancy work ranks next in importance to the construction of railways."

"To make the victory of economic democracy a reality" said Mr. Hu, "we should not merely deal with the political phases of self-government, but also emphasize the economic aspects of self-government. In places where there is no self-government the economic order is oppressive and the officials are corrupt. These corrupt officials can not be overthrown merely by slogans, and well-meaning officials are powerless to do anything. Economic self-government is essential as a means of encouraging production and acts as a safeguard for fair distribution by the system of cooperative credit societies."

Mr. Hu concluded by emphasizing the necessity of education. The youth of the country, he said, must undergo rigid training so that in days to come they may be self-reliant and be able to stand trials and hardships.

The Berlin Exhibition of Chinese Art

The following is part of a Transocean News Service dispatch dated Berlin, February 6.

The Exhibition of Chinese Art which opened in Berlin on January 12, bids fair to be an event of great importance. There has lately been a widespread revival of interest in Far-Eastern affairs comparable almost to the curiosity of a more naive kind which reigned in the West at the time of Marco Polo and of the great voyages. Some of the items shown in Berlin, and believed to be among the earliest examples of Chinese art known to exist, display a mastery of technique and a perfection of execution which cannot be surpassed in Europe even to-day.

The Prussian Minister of Education who opened the exhibition characterised it as an event of worldwide importance. The significance attached to it in high quarters is further emphasized by the long list of its distinguished patrons. They include the Minister for Foreign Affairs, Herr Stresemann, the Prussian Minister for Home Affairs, Herr Severing, and the Chinese Minister in Berlin, Chiang Tso-pin. The German ambassador to Japan, Herr Solf, whose interest in Far Eastern art is well known, is Honorary President of the Committee and the ambassadors of Japan, France, England, America, Russia, the Ministers of Italy, Holland, Sweden, and a host of other distinguished statesmen, scientists, scholars and great collectors figure on the Committee of Honor. It is to the credit of the German Foreign Office that customs formalities have been swept away for the occasion. The financial question, which presented difficulties no less considerable, was solved no less happily by the creation of a guarantee fund to which the Reich, the Government of Prussia and the authorities of Berlin jointly subscribed. It has thus been possible to bring together nearly 1500 exhibits drawn from no less than 170 private and public collections located in 12 different countries which besides Germany include China, the United States, England, France, Switzerland, Belgium, Holland, Sweden, Russia and Italy.

The organizers of the exhibition are the Society for East Asiatic Art which, founded only a few years ago (1925), has already a membership of approximately a thousand, and the Prussian Academy of Arts, which has lent its palatial premises on the Pariser Platz.

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The Mission of the Third National Kuomintang Congress

BY C. Y. W. MENG 孟長泳

Since the establishment of the National Government, many conferences have been called. We have the Educational Conference in May, the Economic Conference in June, the Financial Conference in July and lastly, the Conference on the Military Reorganzation and Disbandment of Surplus Troops in September. All of them are very important and have a great deal to do with the future of China. But the holding of the Third National Koumintang Congress is certainly the most important of all.

The Importance of the Congress

It is important for two reasons: In the first place, it is important because it is called at the most critical time in the Chinese history, Secondly, it is important because of its important mission which it undertakes. Internally speaking, the present Koumintang now consists of many small parties attacking each other very bitterly. President Chiang said, "I felt heart-painful to see there are so many small parties within our party. Where these small parties are created, it only tends to break down the unity of the party, and to impede the future of the revolution, and to show the weakness of our race. Should aside from these small parties be further added the ambitious leaders, then what about our Party but ruin?" Amid such a situation, the Congress is called to work out some of solutions by which the Koumintang will be again solidified into one real political party in China, knowing only to work for the releasing the suffering of the people, for the emancipation of the Chinese race, fighting for the independence and liberty of the Chinese nation. To be sure, this is no easy task!

Diplomatically speaking, if the Congress ends in a success. all the negotiations for the revision of out-of-date treaties, conclusion of new equal treaties, abrogation of extrality, taking back all concessions, etc. will come in rapid succession. Even the Japanese, arrogant as they are now, will have to withdraw their troops unconditionally, have to yield to all the Chinese demands because, by that time, China has put her own house in order, and is ready to devote herself to foreign affairs. But should the Congress end in a failure, all hopes would be extinguished. The Japanese will become more and more arrogant, and all the other treaty powers will never come to talk on the treaty revision. China might lose her best chance which might take many years for her to regain it. Realizing the importance of this Congress, the writer takes the pleasure to inform all the representatives to the Congress that the whole nation is now very anxious to see the Congress crowned with success, and they are requested to give up all their personal feeling and regard the national and party affairs above everything, and devote themselves to work for the party and nation.

The Eve of the Congress

So far as the situation just before the Congress is concerned, it does not justify an optimistic view. We find, the reactionary elements are very active, and have been on the job many weeks before the congress is to be held. They spread the propaganda that a reign of terror is sure to happen, and the present government is sure to be broken off, etc. The recent military affair in Hunan is taken as an indication that the party might declare war against another party within the same Party.

Not only this, the imperialists are also at work for the downfall of the present government and breaking off of this Congress. If one reads the English newspapers in Shanghai, one will find the following headings on the first page of the papers saying what is to happen to the coming Congress, such as "Radicals of Koumintang Organizing in Preparation for the Coming Congress"; "Turning to the Left in Kiangsu;" "Efforts being Made to Consolidate Left Wing in order to Present United Front at the coming Congress". In other words, the imperialists are of the opinion that the coming Congress is sure to result in nothing as the Left and Right Wings and other elements are bitterly attacking each other. There is much other imperialistic propaganda from Japanese sources about the disagreement among the leaders, etc.

When we turn to Shantung, we find that the Japanese are openly helping Chang Chung-chang, to start his coming-back attack. The present party in power in Japan never forgets their high-hand policy in China a decaed ago, and it still advocates that it should be adopted to present-day China. Chang Chung-chang has his headquartesr in Dairen, and is further permitted to charter a Japanese steamer to depart with an armed body guard of 250 troops from the Japanese leased territories. The Japanese further supply them with ammunition and money. By doing so, the Japanese hope that the evacuation of the Japanese troops will be postponed, because the situation does not justify such evacuation and the opening of the Congress will also be delayed owing to political disturbances within the country. Japan talks very much that the Japanese will always observe neutrality in Chinese civil warfare. But the action taken by the Japanese is more than the eating of their own words. Japan, in doing so, merely discredits herself before the world.

The Mission of the Congress

China is now ruled by the Koumintang. Therefore, it is a matter of supreme importance that the Kuomintang should first make itself "solidified". Should the Party be in a dangerous state, having so many parties within the party, struggling against each other for all the time, such party is destined sooner or later to be overthrown by any other party. So, the primary mission of the Congress should be to consolidate party affairs, and then, also to work out some of the solutions for some of the vital problems that are facing China today.

The Congress and the Party

(1) The writer suggests the following program: Congress must undertake to reorganize the Kuomintang the first step being to "clean the party," eliminating all the bad, undesirable. reactionary, and communistic elements in the Party. The Kuomintang at the beginning is an integral party.

(2) The Conress should undertake to interpret the revolutionary theories and the Three People Principles and should lay down clearly and definitely the ways by which they should be carried out. To be sure, differences in the interpratations of the theories and principles, differences in the advocacy of the ways to carry them out ressulted in internal dissension of the Party. When the communists were admitted, they interpreted them in terms of communistic theories, and they advocated that they should be carried out in the communistic way.

(3) The Congress should undertake to reorganize the Central Headquarters of the Kuomintang, which is now in Nanking, and make it more centralized, having the ability of holding the confidence and commanding the respect of all the members of the Koumintang and all the people. The Central Headquarters is the heart of the Kuomintang. Should it be miscarried, it affects the whole party. Being so important, the Central Headquarters should consist of all faithful and true members of the Koumintang.

From the Central Headquarters, representatives should be sent out to the capitals of provinces to form the provincial headquarters of the Kuomintang, and to further direct the people how to adopt the doctrines of Kuomintang. They will, in turn, send their men to different hsiens or special districts to form headquarters there. The important thing is that the men sent out must be well chosen, some qualifications being required.

(4) The Congress seould undertake to form a strong central organ—the Central Executive Committee. As this Committee is the highest in the Party, as provided in the Constitution of the Kuomintang, the Central Executive Committee should be delegated with power to appoint men to organize the Central Headquarters, which, in turn, will appoint their own men to organize the headquarters in provinces and hsiens. If members of the government are also members of the Central Executive Committee, one will realize that a cooperation between the government and the Party and among all heaquarters is acquired.

In order to avoid autrocracy in government, the writer has the following to suggest: At present, China, instead of having three branches of government which is usually the case, has five branches, that is, executive, legislative, judicial, examination, and supervisory. To the first four, the writer is of opinion that they should be made by the government party, but as to the supervisory yuan, it should be made up by the people, whose duty is only to watch the administration of the government, and to settle disputes between the governors and the governed.

If in case, members of the Government are not members of the Central Executive Committee, the Supervisory Yuan must be made up by the members of the Party. The Government will stay so long as they can hold the confidence of the Supervisory Yuan. In case non-confidence is voted, the Government either dissolves the Supervisory Yuan and appeals to the Central Executive Committee for re-election of another, or it ends in wholesale resignation of the government party. If the decision of the Central Executive Committee is in favor of the government party, the government may stay, and if not it must give away to another. The only way for the government to attack the Central Executive Committee is to appeal to the Kuomintang Congress which is held once a year. By making up the Supervisory Yuan either by the people or by members of the Party, one must know that this is the first step to enable the people to have some voice in the government.

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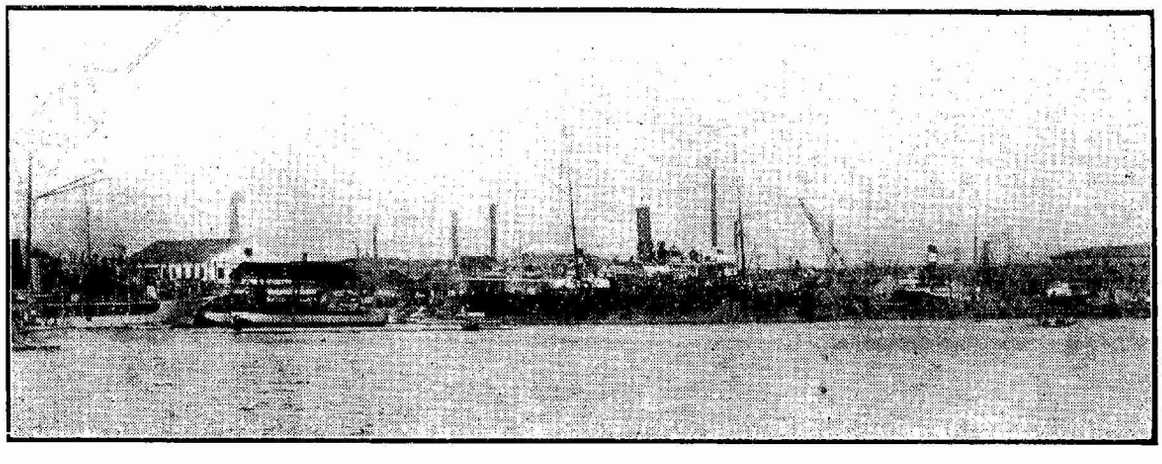

Problems Facing the Congress

Having taken some steps to solidify the Party, the next task of the Congress is to work out the solutions for some of vital problems that are facing China today.

Let us now put before the Congress some of the problems :

(1) *Legislation of Law.*—The period of military warfare which means a destructive stage is now over, and the new stage of the tutelage is coming. The stage of ruling the country by the will of some men is now a matter of the past, and the stage of ruling the country by "laws" is now coming. The legislation of law is thus considered as the most important task of laying the foundation of the tutelage age. Although such task, belongs to the Legislative Yuan, yet it is the duty of the Congress to lay down some general principles for the legislation of the Chinese law. To the writer's mind, the Chinese law must be made very "strict" in inflicting punishments, and more adaptable to the Chinese present condition and to meet the need of the Chinese today. It is to be remembered that in China customs are considered as more important than the principles of light and reason.

The writer, being a lawyer in Shanghai, has handled many cases where young ladies sought divorce from their husbands' families because their husbands died long ago, or many times, young ladies sought divorce from their fiancee because they were engaged to these men when they were only seven or eight years of age. It is now up to law to say that all such engagements be declared as void, unless they are ratified by two parties concerned, or it is up to law to place the Chinese married women in a better status.

(2) *Reformation of the Chinese Educational System* :—The present state of education is certainly not satisfactory. If one turns to the advertisement column of the Chinese newspapers, one will find that numerous schools, universities and middle schools, advertise for new students. At the outset, it looks as a bright prospect because it seems to indicate that the opening of more educational institutions means the development of the Chinese education, and the awakening of the Chinese to the importance of education.

It is up to the Congress to improve the situation as regards education and to work out some general principles for the adoption of the "compulsory education" in China. At present, in China, only about 3 per cent of the Chinese population can read and write, and the rest 97 per cent can neither read nor write even their own names. Children under certain age must be sent to kindergarten. After that, they must be sent to primary and middle schools. Only after two college years, people should be free to chose, at their own will, whether they will continue their further study or to join some circle. For failure to send their childrn to school, severe punshment must be inflicted on their parents.

(3) *Adoption of Compulsory Military Service* :—China's five thousand miles of sea coast is defended, in theory by an entire obsolete fleet of a little over forty thousand tons, which in any country would have long been converted into waste steel. Her nearest neighbor whose fleet is within reach in two days' time has a tonnage of a million! On land, China is just as awkward as on water. Outer Mongolia is still in the claws of Russia, and Shantung is in the hands of Japan.

In the air, China has about two or three hundred aircrafts, that actually can fly as compared with the other countries thousands. Although a splendid start is now being made by a group of aviators in Canton, China is still much behind the times in both civil aviation and its employment as a means of defence. It is safe to say that the Chinese air would be practically defenceless in case of air attacks from any of the major powers.

It is imperative for the Congress to consider the adoption of "compulsory military service". Indeed, in Japan, military service is compulsory and universal between the ages of twenty and forty. Every boy is put through the mill of the military training, and ground into a sturdy, courageous, and order-abiding soul—a useful citizen in war as well as in peace. The same system is followed in many other countries.

It should be the policy of the Congress to enforce that children are early imbued with the military spirit and then made to do military duty after they have left school. It is a wrong policy for the Conference on the Military Reorganization and Disbandment of Surplus Troops to order that all arsenals be converted into manufactories for making farmers' implements. What should be done is to improve the present arsenals, making them up-to-date ones.

(4) *Formulation of the Foreign Policy:*—Traditionally speaking, the word——diplomacy——is entirely unknown to Chinese. In the time of negotiation, the Chinese negotiators would only yield to all demands which were presented by the foreign negotiators. What China wanted was to stop the foreign invasion and aggression only for the time being. So, the granting of the concessions, losses of sovereign rights, were not looked upon as of grave consequence. China lost so many of her sovereign rights not entirely due to the foreign aggressions, but largely due to the ignorance of her diplomats and negotiators. Having no definite foreign policy, or rather knowing nothing of playing diplomacy, but having to face the foreign imperialistic aggressions, the defeat in all negotiations is only natural.

(5) *The starting the Frontier Movement*?—China is not too densely populated. It is up to the Congress to adopt some steps to encourage the Chinese to remove to less populated places. This step is important because it will prevent the realization of the foreign imperialistic policy of colonization, and will provide the way in the future for the development of China.

(6) *Adoption of an Industrial Code.*—China is just now undergoing an industrial revolution. The bitter struggle between employers and employees which took place in all industrial countries before is now visiting China. Therefore what is needed is an industrial code which will pave the way for the cooperation between employers and employees.

What is needed most of all is that the present Congress should hold the different Ministeries "responsible" for the task which the different Ministeries undertake. The Chinese do not want the politicians to talk too much; what is wanted is "do it now," so that they will have something to report in the next Congress.

A Plea To All Kuomintang Members

It is now the time for the Chinese to regard national and party affairs as the most important of all, and not think of their personal interests. It is now the time for them to devote themselves to work for the future of China and Party, but not to quarrel among themselves, thus destroying the sole mission of the Congress. It is now the time for them to put before the Congress all the unsettled problems and discuss them in the frankest manner, and solve them in the interests of the country and Party, but not to exercise any of their personal or selfish feeling, China's only hope is now come, but the Chinese should not destroy it!

Shanghai, March 10, 1929.

THE LEFT WING OF THE KUOMINTANG

(*Continued from page 100*)

the taking over of the British Concession at Hankow), and his apparent misunderstanding of the nature of the Communist Party, his viewpoint is well and in general fairly presented. His general argument is a sound one. Imperialism and militarism are the real enemies, and a civil government representing all social elements is the aim. "The bourgeois class in China is still in the formative stage, and is not yet matured enough to offer to society any conspicuous ability to conduct the government or to resist imperialiam and militarism. . . .In the same way the power of the small merchant class is too weak to offer any effective resistance. . . .The labor class is also too weak. . . .The same thing is true of the peasant class of China. . . .(who) under the present circumstances are no match for the power of militarism." What is the way out, then?

"If there is today in China no single class strong enough to combat militarism and imperialism single-handed, and if each of these classes has to face a united front of the militarists and imperialists and to wait to be devoured in turn, the irresistible logic is that all the classes in China, whether bourgeois or proletarian, should combine themselves and form a united front between them to fight the united enemy. Experience has shown that only a united front of all the revolutionary forces in China will be strong enough to fight militarism and imperialism."

This is indeed logical and sound. It should be obvious, however, that this united front cannot be established and maintained as Mr. Woo appears to believe, on a basis of war between the classes involved, on a basis of "agrarian revolution" which resolves itself into a struggle between those who possess land and those who would expropriate them, on a basis of co-operation between the Kuomintang and a party devoted to class war as the necessary preliminary to its own seizure of power. A real "united front" must clearly be based upon the common interests of all concerned.

A Possible Policy

Is such a policy possible? It is quite possible, if the leaders of the Kuomintang wish to make it so. The proposed land law, meaning essentially land nationalization, is an example of such policy. The proposed labor law, though not wholly satisfactory and with almost no provisions for enforcement, is an example of an attempt in this direction. The cautious encouragement of co-operative credit and other forms of co-operation is another example. The great work of universal education, to the interest of all except those who exploit the ignorance of their fellows, is an example, though this work is hardly more than begun. General education in hygiene and birth control would do more than any other single thing to improve living conditions and raise economic standards among the Chinese people as a whole, regardless of class. Also of universal interest is the development of transportation, and (with limitations) that of industry.

See China's Holy Land!

Via

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The next time you travel northward take the overland route. Go the "Tsinpu way" through the land of Confucius, and get a glimpse into the spiritual heart of Cathay. No jaded tourist trail this—it is an adventure comparatively few have enjoyed.

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On the Tsinpu route you will travel through some of China's richest provinces: Shantung, Anhui, Chihli and, wealthiest of all, Kiangsu. In general it follows the line of communications which for centuries has been the principal link between the Imperial City of the north and the great producing areas of the lower Yangtse valley, a line marked by the Grand Canal, over whose waters the bulk of the tribute of the southern provinces for scores of generations flowed into the Emperors' treasuries in the north. It traces almost the path of Marco Polo, that which he used when he went down from Peiping to Yangchow, in the province of Kiangsu, to become a magistrate under the great Kublai Khan.

You will pass through the most ancient portions of the Chinese Empire, including the district which has been called "The Holy Land of China", that part of western Shantung in which Confucius was born, taught and died, leaving a spirit which profoundly has influenced Asiatic culture for longer than Christ has been diefied in the West. Here also is the region in which Mencius, the great interpreter of the Sage, carried on his work. And you will see Tai Shan, the most famous sacred mountain in China, upon whose summit civilized men have worshipped for more than four thousand years.

These are but a few of the attractions that will fascinate you along the Tsinpu road to Peiping. Trains leave Pukow daily for the north: diners, sleepers, chair cars. For further information as to rates, schedules, accommodations, etc., apply to

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Head Office, Pukow

This advertisement issued by the Chinese Government Railway Administration.

No. 1

48-137

The Third National Kuomintang Congress

BY EVA CHANG

All preparations are ready at Nanking for the convening of the Third National Kuomintang Congress. The purpose of the Congress is (1), to receive and approve the reports submitted by the Central Executive Committee and the other departments of the Central Party Headquarters; (2), to reconsider the political policy and to amend the constitution of the Party; (3), to frame and decide policies and political schemes on timely questions; and (4) to elect members of the Central Executive Committee and the Supervisory Committee. According to the regulations governing the organization of the Party, the number of members of both Central Executive Committee and the Supervisory Committee shall also be decided by the National Congress. The readers may be reminded here that the State Council, which is the highest organ of the National Government, is responsible to the Central Executive Committee which is created by the National Congress. It is, therefore, obvious that the responsibilities of the National Congress are heavy and its power great.

It is understood by everybody who is at all familiar with affairs in China that the Third National Congress is the most important conference in recent years. In the first place, it is the first National Congress in a unified China. The Military Period of the National Revolution is over and we are now at the threshold of the Tutelage Period when all forces should be centered in the reconstruction of the country. Much of the country's future will depend upon the result of this Congress.

Six Distinct Duties

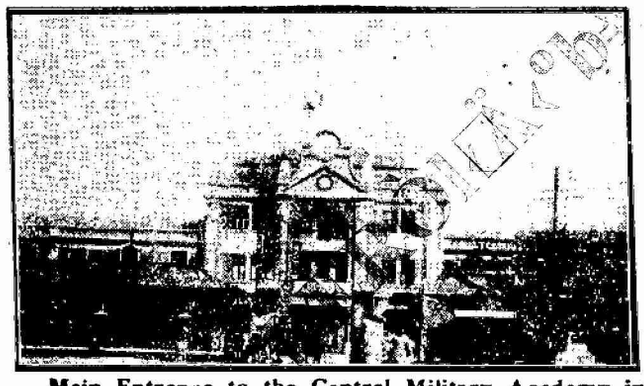
There are six distinct duties that the Third National Congress is expected to accomplish, namely, to institute some definite and severe measures for purging the Party of the remnants of the Communists, to examine the past record and work of the Party in order to decide the new Party and political programs, to unify the fundamental principles of the Party in order to avoid misunderstanding and misinterpretations, to erect a foundation for political tutelage, to make plans for the reconstruction of society and the country, and also for the material and psychic reconstruction, and lastly, to create a strong and healthy central Party organ.

The holding of this Congress is all the more significant because of the prevalence of rumors and the political situation in the country today. It was feared that things might happen to prevent the opening of the Congress. Now, aside from clarifying the mind of the public with regard to such rumors, the Congress has in its power to settle any political problems that might exist.

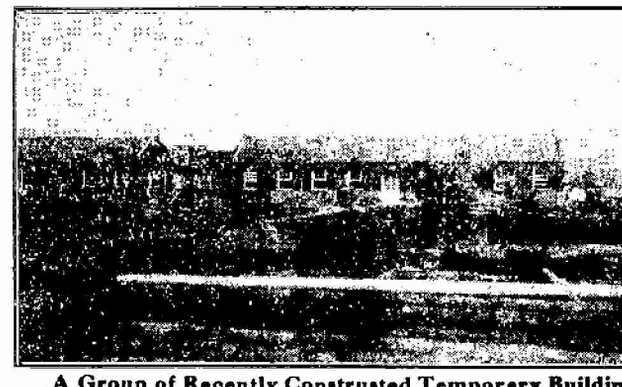
Altogether there are 356 delegates from the various places in the country and abroad aside from the non-voting delegates. They are either elected by their respective Branch Party Headquarters or appointed by the Central Party Headquarters. The following are the number of delegates from the General Branch Party Headquarters abroad: Canada, 7; the United States, 7; Mexico, 5; Cuba, 4; Honolulu, 2; Japan, 2; Philippine Islands, 4; Dutch E. Indies, 9; Federated Malay States and Straits Settlements, 8; Australia, 5; Annam, 8; Siam, 5; Burma, 4; India, 2; France, 2; South Africa, 2; Peru, 1; Haiphong, 1; Hanoi (upper Annam), 1; London, 1; Liverpool, 1; Mauritius (South Africa), 1; Madagascar, 1; Korea, 1; Timor-Dilly (Portuguese Settlement south of Singapore), 1. The following are the number of delegates from the Special Municipality District Party Headquarters: Nanking, 8; Shanghai, 8; Canton, 8; Tientsin, 4; Peiping, 8. The following are from the various Provincial Party Headquarters: Kwangtung, 10; Kiangsu, 9; Chekiang, 9; Hupeh, 8; Shansi, 7; Kansu, 4; Kwangsi, 9; Charhar, 2; Suiyuan, 3; Jehol, 3; Heilungkiang, 3; Kirin, 4; Liaoning, 6; Shensi, 6; Honan, 7; Shantung, 7; Anhwei, 9; Hunan, 9; Szechuan, 9; Fukien, 7; Kiangsi, 6; Yunnan, 7; Kweichow, 6; Hopei, 8. There are also 67 delegates from the Army and a number from the various railways. The record in the registration book reveals that the delegates represent many different professions, some being newspaper men, some lawyers, some engineers, some business men, some military men, some educators, some women, and what not.

Weeks of intensive preparations have been made by the Central Party Headquarters for the Congress. A temporary Secretariat has been created for the Congress with Tai Chi-tao as Chief Secretary. It is divided into four sections, Discussion Section, Secretarial Section, Business Section, and Social Section. A special committee was jointly appointed by the Central Executive Committee and the Central Supervisory Committee to examine the eligibility of the delegates, who are required to register at the Social Section of the

(*Continued on page 116*)

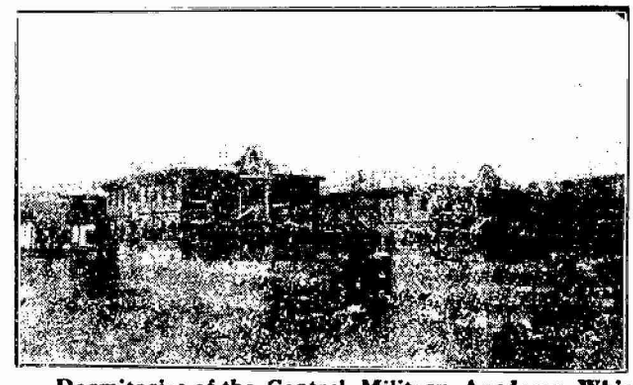


Main Entrance to the Central Military Academy in Nanking Where the Registration of Delegates to the Third National Kuomintang Congress Will Be Held.

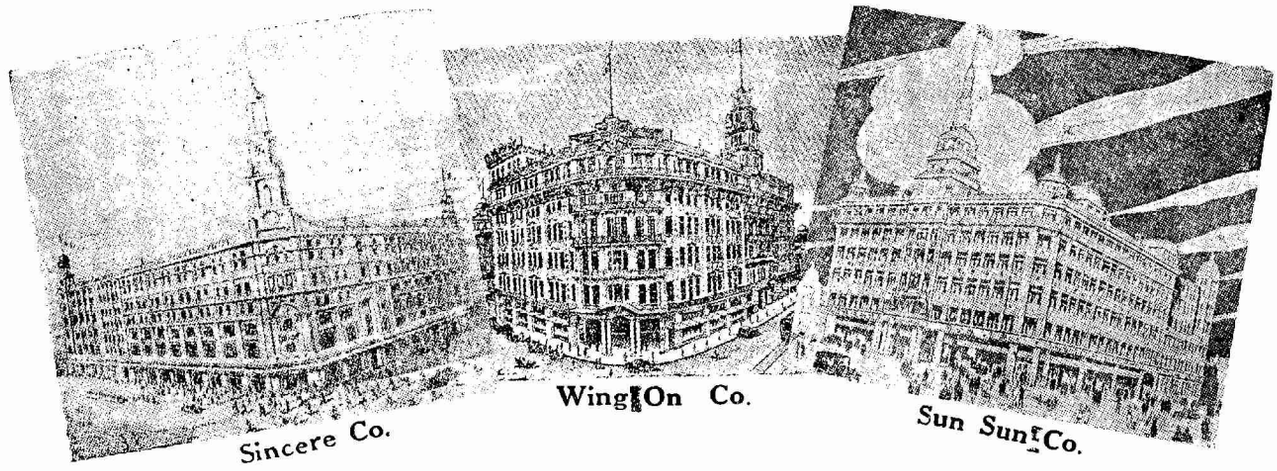


A Group of Recently Construsted Temporary Buildings Where the Secretariat of the Third National Kuomintang Congress Will Be Held.

This Building, Recently Constructed in Nanking for the Military Officers' Moral Endeavor Association, Will Serve as a Combined Mess-Hall and Place of Entertainment for the Delegates to the Third Kuomintnag Congress.



Dormitories of the Central Military Academy Which Will Be Used as a Sleeping Place for the Delegates to the Third National Kuomintang Congrlss. Nanking Is Practically Without Modern Hotel Facilities.



98 percent of Shanghai Residents Buy at the Department Stores

In the year 1900 the first department store was started. During a period of 28 years department store business has been developed to such an extent that there is practically no single man or woman who has not purchased something from the department store. Such radip development and prosperity of the business is due to the wise policy of selling only quality goods.

The Three Big Department Stores on Nanking Road buy directly from factories in all important cities in the world in large quantity and on cash terms. That they earn cash and trade discounts and pay no commission to middlemen makes the price of goods sold at the department stores always lower than in the market.

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Shop always at

WING ON (Incorporated in Hongkong)

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48-139

Men and Events

Miss Lillie May Wilkinson of the U. S. Consulate-General is ill at the Country Hospital.

Sir Sydney Barton, for the past several years British Consul General at Shanghai, has been appointed Minister to Abyssinia.

Dr. L. C. Hylbert, secretary of the Baptist Mission has departed on a trip to Hangchow and other places in Chekiang Province.

C. B. Moore of the Shanghai office of the National City Bank has departed for Cebu, Philippine Islands, where he will be manager of the branch of the bank in that city.

President Hoover during the week telegraphed to General Chiang Kai-shek expressing good wishes and hopes for continued friendship between China and America.

F. P. Lockhart, U. S. Consul-General at Hankow, accompanied by Mrs. Lockhart, returned to China from the United States end of last week by the *President McKinley* on Friday.

Chua Suy, 26 years old, a Chinese merchant, was stabbed to death at Manila March 11, by a group of five Chinese presumably because of his alleged violation of the anti-Japanese boycott.

William Glassford, chauffeur to Admiral Bristol, was instantly killed by a falling boom while the Admiral's motor car was being hoisted from the U. S. S. *Chaumont* in Shanghai harbor beginning of the week.

Telegrams received during the week from London made corrections concerning the New Year's Honors conferred on residents in China. Instead of being made M.B.E. they are made O.B.E. which means Order of the British Empire.

The Information Section of the League of Nations has commenced the publication of a news sheet for the use of daily newspapers throughout the world with a view to keeping the public fully and promptly informed as to the League's doings.

Mr. and Mrs. George Washington of New York City are expected in Shanghai shortly on a trip around the world. Mr. Washington is president of the G. Washington Instantaneous Coffee Company, an American product which is known throughout the world.

H. P. Shastri, an important leader of the Indian nationalist movement and a resident of Shanghai for a number of years, left this city last Tuesday, for a visit to Hongkong, whence he expects to proceed either to India or Japan. He was accompanied by his wife.

The decapitated body of Harcharan Singh, and Indian resident of Shanghai, was found on the morning of March 7. This is on Keswick road, on which three murders have been committed during the past year or two. In this instance political motives are suspected.

Elaborate preparations are being made by the members of the Shanghai College Press Club to publish an English bi-weekly to serve as a medium of publicity for the college and also as a means by which the journalism students can put into practice what they learn in their classes.

The *Chinese Social and Political Science Review*, which is published quarterly in Peiping, publishes interesting articles on various subjects in its January issue. Among the matters treated are, The Organic Law of the National Government, Handicraft Workers in Peiping, Systems of Land Tenure in China, etc.

The Chinese Recorder, which is published in Shanghai as a journal to forward the Christian movement in China, in its March issue contains articles by D. Tagawa, W. M. Clark, Lewis S. C. Zmythe, J. P. Maxwell and O. M. Green, the latter being the editor of the *North China Daily News*. The editor, Frank Rawlinson, discusses such subjects as the Changing Christian Mind, Changing Needs, etc.

Cecil Bailey, engineer with the Radio Corporation of America arrived in Shanghai this week on his way to Mukden where he will install a complete sending and receiving apparatus which was ordered several months ago. After completing the station in Mukden, Mr. Bailey will return to Shanghai to install the new station in this city that was ordered by the National Construction Commission recently,

In a circular letter recently issued by the National Committee of the Y. M. C. A. of China the need is stressed for the recruiting and training of more secretaries. It is also announced that under the direction of the Student Department a series of spring retreats and summer conferences for students will be held. The first International Boys' Camp for the Far East is to be held in Japan next summer.

The two Shanghai Y. M. C. Associations, Chinese and Foreign, are conducting their annual joint financial campaign starting from March 15 and ending April 5, soliciting aid for their upkeep. It is hoped to raise $19,500. There are six teams, the leaders of which are as follows: Peter Wong, Mrs. H. L. Hwang, Mrs. B. Y. Hsueh, Miss Edith M. Adlam and Miss Ethel M. Lacey. Dr. Anne Walter Fearn is honorary captain of the temas.

Major General Eli Kelly Cole, the third ranking officer of the U. S. Marine Corps, and at present in command of the Department of the Pacific arrived in Shanghai last week on the transport *Chaumont*. General Cole entered the Marine Corps from the U. S. Naval academy July 1,1890 and, *Walla Walla*, the Marines' little paper published in Shanghai says that during the intervening thirty-nine years he has performed the whole gamut of Marine duties.

Eugene O'Neill, noted American playwright who was in Shanghai December last, and later proceeded to Manila where his animadversions on Shanghai "snoops" created quite a flurry, will marry Carlotta Monterey, an actress, as soon as his present wife, Agnes Boulton O'Neill, obtains a divorce, according to the *United Press*. Friends of the play-wright, whose home is in New York, said he had informed them of his intention to marry Miss Monterey. O'Neill has been in Europe since leaving the Far East.

E. P. Curtiss, Far Eastern representative of the Graham-Paige International Corporation, manufacturers and distributors of Graham-Paige automobile products, was in Shanghai until Friday of this week, when he left for Manila, where he will confer with representatives of his company and study automobile market conditions. Mr. Curtiss has been in the Far East for several months, having spent six weeks in Japan and several weeks in Manchuria and northern China, investigating the possibilities of these markets for automobiles.

THE THIRD NATIONAL KUOMINTANG CONGRESS

(*Continued from page 114*)

Congress Secretariat. Those delegates who have no bona fide certificates from their respective Party Headquarters, or were not elected according to proper regulations shall be excluded from the Congress.

Reception and Entertainment

The reception and entertainment of the delegates are being taken care of by the Officer's Moral Endeavor Association. Six dormitories in the Central Military Academy have been turned over for the accommodation of the delegates. The dormitories also contain a reception room, a reading room, and a temporary post office for the convenience of the delegates. Meals are served cafeteria style by the Officers' Moral Endeavor Association in their newly completed dining hall. Excursion parties have been planned to visit the various historic places in and around the Capital. For those who are interested in athletics, there are cage ball, basket ball, volley ball, tennis, and horse-shoe pitching under the leadership of the athletic director of the Association. At dinners mass singing, conducted by their music director. All delegates are invited to make use of their barber shop and bath house gratis.

The Association has also prepared elaborate programs for the entertainment of the delegates in the evenings. There will be five nights of movies, one of modern plays, one of old Chinese drama, and one of variety entertainments, and the rest shall be open nights. President Chiang Kai-shek, as President of the Association is giving a dinner to the delegation at 7 o'clock this evening (March 16) after which a grand entertainment will be staged. Young girls, around twelve years old, mostly daughters of the Government officials, have been invited to act as ushers.

A conference daily, containing bulletins and reports that give humorous touches here and there to lighten up the occasion, is being published by the Association. The Association is also distributing a concise city guide to the delegates as they register.

Nanking, March 13,1929

NOW IN CHINA!
Rexall
The Sign of Quality in Good Drug Products
Hugo Reiss & Co. Agents Shanghai

Perfect When Sun-Maid Raisins Are Used

RAISIN PIE

1 pound seedless raisins
1½ cups sugar
¼ inch cube of ginger
1 pint water
Juice of 1 lemon
Grated rind of half lemon
Pie Crust
Tapioca for thickening, if desired

Let the raisins stand in the water for half an hour, then simmer with the lemonrind and ginger, sugar and a few grains of salt, until they are perfectly tender and the resulting syrup is rich; then add the lemon juice and a tablespoon of tapioca, and allow to cook until the tapioca is tender and clear. In the meantime, line a pie plate with pie crust, cool the sauce, dust the lower crust lightly with flour, pour in the raisin mixture, cover with a whole crust or with criss-cross strips, and bake from 25 to 30 minutes in a moderate oven.

Raisin Tarts are made in the same way, only the mixture is poured into small pastry shells and covered with criss-cross strips of pastry or the top may be left open.

Sun-Maid Raisin Growers' Association

3 Canton Road, - - - - Shanghai.

48-141

Conference of the Anti-Japanese Association

The second annual conference of the Chinese Anti-Japanese Association was in session at Shanghai from March 1 to 7, 1929. The meetings were held in the Chinese General Chamber of Commerce, North Honan Road.

The first formal meeting of the conference was held on March 1, and was attended by eighty representatives of the different provincial organizations. Hsia Tien, representative from Nanking, presided over the meeting. It was urged that the boycott be enforced and that economic relations with Japan be severed.

At the second meeting, held on March 2, Lu Kiu-shun representative from Hankow, presided. Speeches denouncing the Japanese imperialists were made. Eighty representatives were present.

The third meeting was held on March 3. Waung Tao-i, member of the executive committee of the Shanghai Anti-Japanese Association presided. The following resolutions were passed:

1. That the Nationalist Government be requested to adopt measures to prevent Japan from encroaching upon China and to make preparations for war against Japan.
2. That the Ministry of Education be requested to enforce military training in all schools.
3. That the Nationalist Government be requested to organize a strong Army, Navy and Air Service to overthrow Japan.
4. That the Nationalist Government be requested to order the various official organs in various provinces to render assistance in connection with anti-Japanese activities on the part of the people, and that persons failing to do so be dealt with as reactionaries.

The fourth meeting was held on March 4, and was attended by about thirty-five representatives. Chen Sin-chang, representative from Tsinan, and Ma Shun-shun, representative from Tientsin, presided. Nine resolutions calling for an apology from Japan in connection with the Tsinan affair, demanding the withdrawal of Japanese troops from Shantung, calling for the abolition of all unequal treaties with Japan, and similar questions, were adopted.

The fifth meeting was held on March 5, and was attended by thirty-six representatives. Waung Tso-i, Shanghai representative, and Huang Shih-jih, Nanking representative, presided. The following resolutions were adopted:

1. That a circular telegram be despatched to various organizations in China requesting that the funds realized from fines on Japanese goods be used to establish factories bearing the name "May 30" in order to give work to the unemployed.
2. That people at various places be warned against travelling on Japanese steamers and against undertaking transportation of Japanese goods.
3. That the Nationalist Government be requested to despatch troops to Shantung for the suppression of Chang Chung-chang's rebellion.
4. That the Central Kuomintang Headquarters at Nanking be requested to permit the resuscitation of the people's movement and to afford protection.
5. That the Nationalist Government be requested to order the authorities of the Eastern provinces to dismiss their Japanese advisers in order to prevent Japan from learning anything about the country's political conditions.
6. That the Nationalist Government be requested to instruct the Ministry of Foreign Affairs to negotiate for the rendition of the Legation Quarter at Peking.
7. That a Court be established for the trial of wicked merchants.

The sixth meeting was held on March 6, and was attended by thirty-eight representatives. Chen Siu-chang, representative from Tsinan, and Ying Hsueh-yuan, representative from Hankow, presided. The following resolutions were passed:

1. That the monthly expenses of this association be fixed and that Chinese emigrants be asked for contributions for the support of the campaign.
2. That newspapers be established in the Eastern provinces to counteract the Japanese newspapers.
3. That even support be given to laborers in Hankow who have declared a general strike against their Japanese employers.
4. That a cemetery for the burial of the martyrs of the "May 30" tragedy be constructed, a monument be erected and a school be established in memory of the "May 30" tragedy.
5. That the National Government be requested to secure to China Port Arthur and Dairen as the lease of these two places to Japan has already expired.

The final meeting of the conference was held on March 7, and fifty delegates were present. Lung Ti-yao, representative from Shanghai, presided. A resolution was passed that a manifesto urging the people all over the country to carry out the resolutions as adopted by the conference, be issued.

Who's Who in China

Mr. T. W. Kwok

郭德華

(Kuo Te-hua)

Mr. T. W. Kwok born March 20, 1901, in Kwangtung. He went abroad in 1919 and received his education at Washington, Harvard (U.S.A.) and Cambridge (England) Universities. He is the holder of many academic degrees. Hs returned to China in 1923 and joined the China National University, Woosung Forts, where he subsequently became Dean of that institution. He was appointed General Secretary of the Bureau of Foreign Affairs for Kiangsu in March, 1927, when the Nationalists arrived at Shanghai. Later he joined the Ministry of Foreign Affairs serving his country through a very difficult peiod of China's foreign relations. He has held many advisorships and counsellorships at different military headquarters. At present Mr. Kuo is the Chief Secretary, Section of Foreign Relations, Bureau of Foreign Affairs for Kiangsu, a post of great responsibility, considering the importance of Shanghai. He is also the Chinese Secretary of the Whangpoo Conservancy Board.

Boycott by Chinese Seriously Affects Japanese Trade

Recent advices from Japan state that as a result of the anti-Japanese boycott movement in China becoming more and more rigid the amount of exports from Japan to China has registered an unprecedented low record. The ships of the Osaka Shosen Kaisha carried only 17,000 tons of exported Japanese goods to China in January, but for the month of February the total amount of exported goods carried by the ships of the same Company dropped to as low as 6,200 tons, which was two-thirds less than the January record. That the exports from Japan to China in the month of February were much less than the preceding month was not limited to certain particular ports but was generally true everywhere.

A Chinese Contests School Regulations in Mississippi

The *United Press* reports that the Supreme Court of the United States has refused to rule on an appeal case by Joe Tin-lun against a law of the state of Mississippi which forbids Chinese to attend the free schools of the state for white children. The Supreme Court's refusal was based on the fact that the complainant is now past 21 years of age and hence not eligible to attend the state public schools. The Supreme Court, however, reversed the order of the lower court's upholding the law and then directed that the present case be dismissed because the cause of legal controversy now has been eliminated by the fact the appellant has passed school age.

Mr. Chang Nai-yen

張 乃 燕

Mr. Chang Nai-yen, D. Sc., was born in Nanzing, Wushing, Chekiang in 1894; had his primary and secondary education in Nanzing, Hangchow and Soochow; has been a member of the Kuomintang since 1912; went to Europe in 1913 and studied chemistry successively in the University of Birmingham; Imperial College of Science and Technology, London, and the University of Geneva; worked and wrote the thesis: "Contribution a la Connaissance des Acides Ortho-et para-nitro-alpha-bromo-cinnamiques" and thus received the degree of D. Sc. in the University of Geneva in 1919; came back to China in the same year after touring and studying education in Europe, America, and Japan; engaged as Professor of Chemistry in the National Peking University and concurrently teaching chemistry in the Peking High Normal College and Peking Technical College in 1920 and continued for three years; wrote during his teaching: "Organic Dyestuffs," "Medical Organic Arsenicals" and "Service Chemistry in the World War;" elected as president of the Provincial Educational Association of Chekiang and concurrently teaching chemistry in the Chekiang Technical College in 1923; appointed as councillor in 1924 in the Headquarters of Dr. Sun Yat-sen, then generalissimo of the Nationalist Army; engaged in teaching "History of Science" in Kwanghwa University, Shanghai, in 1925; made Dean of the College of Engineering, National Kwangtung University and concurrently appointed member of the Board of Education of the Nationalist Government in 1926; appointed as member of Provincial Government of Kiangsu and concurrently Commissioner of Education of Kiangsu in 1927. In 1927 he was appointed Chancellor of National Central University and concurrently member of the Provincial Government of Kiangsu. Mr. Chang is a historian besides being a chemist and educationalist. He has written two historical books: "History of the World War," and "History of Rome."

Capt. Sutton Now Seeks Gold in Canada

Captain Frank Sutton, former advisor to the late Marshal Chang Tso-lin, the warlord of Manchuria, was announced by the *United Press* to be leaving this week as the head of a group of "Flying Argonauts" who will seek a new El Dorado in Northwestern Canada. The expedition consists of seven airplanes carrying a group of scientific and practical miners who will seek copper and gold deposits.

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SHANGHAI

48-143

In the United States Court for China

LUDMELIA MEDLENKA, Plaintiff.
vs
ARTHUR MEDLENKA, Defendant.

Cause No. 3153
Civil No. 1363
ORDER.
Filed at Shanghai, China. March 2 1929.
L. T. Kenake
Assistant Clerk.

ORDER

The object of this suit is an action for divorce.

WHEREAS plaintiff herein, by her attorneys, on the 1st day of March, 1929, made application of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 2d day of March, 1929, the summons for defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 1st day of March, 1929, Ludmelia Medlenka, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has he been within the jurisdiction of this Court during the last six months previous to the 1st day of March, 1929:

NOW, THEREFORE, it is this 2d day of March, 1929, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW" a paper of general circulation most likely to reach the Defendant.

IT IS FURTHER ORDERD that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 23d day of March, 1929, the day of last publication of this order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT,
Dated at Shanghai, China,
March 2d 1929.

MILTON D. PURDY
JUDGE

Announcement

In spite of the fact that the new Import Tariff imposes 22½% on Silk, Lacquer, Bronze, Satsuma and other luxuries which advances the cost of goods 10 to 15% over previous levels, our prices will remain unchanged. We have succeeded in importing our goods before the new tariff came into force, and desire our Customers to benefit thereby.

This applies, equally, to our SHIRT Department, where prices will be found to be as reasonable as they have ever been.

TOYO MURAKAMI

Kiangse & Ezra Roads.

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service

Peiping, March 7.—Chang Hsueh-liang and Shang Chen, chairman of Hopei province, agree on administrative control of five prefectures east of Lan river.

Nanking, March 7.—Despite denial by Gen. Chiang Kai-shek, military movements continue.

Peiping, March 8.—Agreement reached between Chamber of Commerce and Anti-Japanese association regarding procedure to be followed in searching for Japanese goods, etc.

Tokyo, March 8.—Farmers Associations hold conference to decide on counter measures in view of assassination of proletarian member of Parliament named Yamamoto.

Hongkong, March 8.—Gen. Li Chi-sen departs for Shanghai en route to third Kuomintang Congress.

Peiping, March. 9.—Hopeh Provincial Guidance Committee resigns en bloc.

Tokyo, March. 9.—Understood here that U. S. government proposes conference of Powers to consider advisability of abolishing extraterritoriality in China.

Peiping, March. 9—Negotiations between Generals Liu Chien-nien and Gen. Chang Chung-chang over terms of compromise make steady progress.

Peiping, March 11.—Owing to illness of Gen. Pei Tsung-hsi, Gen. Li Pin-sen assumes post of Deputy Commander-in-Chief of 8th Group Army.

Tokyo, March 11.—Premier Tanaka states that it is more than probable that Mr. Yoshizawa will shortly hold an interview with Dr. C. T. Wang.

Peiping, March 11.—Gen. Chiang Kai-shek's representative, Gen. Ho Cheng-chung, arrives from Nanking and proceeds to Shangshan to confer with Gen. Pei Tsung-hsi.

Hankow, March 13.—*Chung Hsan Jih Pao* (Kuomintang organ) publishes artcle quoting opinion of Hunan Party and also editorial stating that action of Nanking government in nominating delegations to Third Party Congress is violation of democratic spirit.

Peiping, March 12.—Defense Force maintains strict vigilance against feared Communist outbreaks on occasion of Dr. Sun Yat-sen holiday.

Tokyo, March 13.—A man about 30 years old attempts to commit suicide in front of Premier Tanaka's residence as a protest against his administration.

Nanking, March 13.—In connection with Hunan affair Political Council decides that an order be issued by both the Nanking and Hunan governments to suspend military operations, and that Gen. Li Tsing-jen be not punished.

Warm Weather Causes Breach in Yellow River Dyke

Reports from Tsinan during the week stated that on account of the recent warm weather the current of the Yellow River had become so strong that a breach in the dyke at Litsin Hsien had occurred, resulting in the damage of about 100 villages, of which the Chiang Clan village, the Tsai Village, the Wang Clan village, the Soong Clan village are most affected. Several tens of thousand people have been rendered homeless and most of them are now making their shelter on the dyke.

H. B. Campbell

46 Szechuen Road,
Shanghai.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official), Ta Chung (Kuominchun) and from translations of articles and dispatches appearing in the local Chinese press).

Wednesday, March 6.—International Club, to which Chinese and all nationalities are eligible on basis of equality, organized at Nanking.—Li Tsung-jen telegraphs to Chiang Kai-shek denying that any troop movements are taking place on Kiangsi-Hupeh border, saying that he realized the present situation was delicate and any unfortunate move might cause disaster.—Chekiang finance department ordered to appropriate million dollars to complete Nanking-Hangchow highway.—National Reconstruction Committee to erect powerful short-wave wireless broadcasting press service station at Nanking.

Thursday, March 7.—Hankow aeronautic association offers cheap excursion trips between Hupeh and Hunan.—C. P. C. discusses Admiral Yang's memorandum on the establishing of a Ministry of the Navy.—State Council passes set of regulations governing functions of Naval Reorganization Office in Shanghai.—Gen. Chen arrives at Nanking to submit report on administration of Anhwei.—South Manchuria Railway launches extensive scheme for agricultural development in Manchuria.—T. V. Soong announces that run on Central Bank of China is at end, adding that bank-notes would at all times be renewed.—Judicial committee to be appointed by Nanking authorities shortly to arrange for converting Provisional Court in Shanghai into an absolutely independent Chinese court.—Pei Tsung-hsi sends Li Shih-tseng, member of Peiping C. P. C. as messenger to Nanking to point out necessity of maintaining peace at present time.

Friday, March 8.—Contribution of G. $110,000 received from America for famine relief to be distributed as follows: Shensi, $50,000: Charhar, 10,000: Shansi, 15,000: Southwestern Honan $10,000—Chang Hsueh-liang dispatches gunboat *Tsufeng* to Chefoo to assist Gen. Liu Chen-nien in campaign against Chang Chung-chang adherents.—Tai Chi-tao to be appointed chief secretary of Third National Congress.—Publicity Department of C.P.C. issues manifesto of principles in view of imminence of Third Kuomintang Congress.—Likin abolition program in provinces stated to be progressing favorably.—Ministry of Public Health Central Laboratory to be opened shortly in Shanghai.—Auditing Council's budget at Nanking shows that monthly expenses of Reorganization departments total $100,000.—National Highway Planning Committee issues plan for classification of roads throughout country.—Canton telegram announces that reorganized provincial forces of Kwangtung and Kwangsi will consist of five divisions and one independent brigade.—At 8th ordinary session of National Disbandment Committee, delegates to disbandment districts are decided upon.

Saturday, March 9.—Delegates for Third Kuomintang Congress from Burmah, Siam and Philippines arrive in Shanghai.—M. Avenol arrives at Mukden.—China decides to send delegate to Preparatory Conference on World Disarmament to be held in Geneva April 15.—Ministry of Public Health formulates regulations for importation of narcotic drugs for medicinal purposes.—Agricultural and mineral exhibition to be held in Chinkiang next month.—Publicity spokesman of Nanking government states that newspapers which circulated false rumors calculated to injure Central government ought to be banned.

Sunday and Manday, March 10 and 11.—Gen. Li Tsung-jen telegraphs his resignation from all posts in Central Government so as to clarify his position on Hunan situation.—Shanghai district party headquarters announces election of party members to Third Kuomintang Congress.—Wu Ho-ling proceeds from Peiping to Nanking to report on Mongolian affairs in Three Eastern provinces.—Military leaders in control in Peiping district issue joint pledge of obedience to State Council.—Presidum of 7 to 11 members of C. E. C. will preside over Third Kuomintang Congress.—National Overseas Affairs Conference to be convened in Nanking next month—Chiang Kai-shek, Hu Han-ming and other prominent Nationalist leaders spend week-end at Tongshan Hot Springs.—Chiang Kai-shek urges Opium Suppression Committee to increase its efforts.—Chang Chung-chang continues his campaign in Shantung against present established government.—Kiangsu Commissioner of Agriculture presents plan for improving silk culture in Wusieh district.—Generals Li, Liao, Wei and others express continued allegiance to orders of State Council.

(Continued on page 125)

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CHANGCHUN, 4, Hino-de-cho,
Telegraphic Address: "KITVOSTDOR"
Phone: 1280

In the American Consular Court for the District of Shanghai, China.

In re Estate of HARRIETTE SPINNEY ROBERTSON, Deceased

Estate No. 105

NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of Harriette Spinney Robertson, deceased, to present the same with vouchers to the undersigned on or before September 1st 1929, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

MABEL L. MORRELL
c/o Yangtsze Insurance Assn.
26 The Bund,
Shanghai.

Shanghai, China,
February 27, 1929.

New Books of Interest in the Far East

A Book on Old China

China Yesterday and Today. By Edward Thomas Williams. Thomas Y. Crowell Company, New York, 1928.

This book of Dr. Williams is already becoming a classic. This new revised edition, however, has not gained much of value through revision. Dr. Williams' attempt to keep in touch with Chinese politics from overseas have led him into a number of blunders with regard to recent developments, though the bulk of the book, dealing with the life and thought and culture of China past and present, is excellent. There is probably no book in English that effects such a clear, sympathetic, and truthful presentation of Chinese life, taken as a whole. It is unfortunate that the outline of recent political developments is not up to the standard of the older sections of the book.

The opening chapters, "What is China?," "The Beginnings of China," "The Family," "Marriage and the Status of Woman," "The Farmer," "The Village Republic," "The City," "The Craftsman," "The Guilds," and "The Calendar and its Festivals," present a fine and varied picture of Chinese life. So uniformly faithful is this presentation that it is regrettable and surprising that such an error would occur as to state that the slave girls who would "sing and play and chat" with the young men in the tea houses (Foochow Road in Shanghai is given as an example) "were not prostitutes and had to be treated with respect," and to find such a completely misleading phrase as "formerly, when slavery was tolerated. . ."

Chinese Philosophy and Religion

Dr. Williams' chapters on Chinese thought are likewise excellent,—"Confucius and His Teaching," "Confucianism in the Home," "Confucianism as a State Religion," "Chinese Buddhism," and "Taoism." Many will consider, however, that Dr. Williams failed to grasp the essence of Lao-Tze's profound thought whom he quotes as being "paradoxical," and "vitriolic in their sarcasm," such phrases as the following:

"Abjure holiness and cast away learnedness, and the people will benefit a hundred fold. Abjure mercy and cast away justice, and the people will revive their filial piety and fraternal affection. Abjure your cleverness and cast away your profit, and robbery and thieving will disappear.

"Are the people starving? Because their rulers consume too many taxes therefore they starve. Are the people difficult to govern? Because their rulers are busy about it, therefore they are difficult to govern. . . ."

Followers of Lao-tze will find in these statements neither paradox nor sarcasm. China's first and greatest philosopher was unquestionably intensely in earnest here. There is no paradox in setting up affection and filial piety in contradistinction to mercy and justice, which are virtues of another nature altogether. And there is likewise no sarcasm, but only bitter truth, in the last paragraph quoted.

Foreign Relations

The next few chapters are a history of China's foreign relations, "Early Foreign Intercourse," "Opening the Gates of China," "The Apotheosis of an American," "Burlingame and Oriental Immigration," "Spheres of Interest." Generally speaking, this is excellent. There are occasional omissions, however, of important facts. With regard to Chinese immigration into the United States, there is no mention of the massacres of Chinese in the western states which led to the Exclusion Act. The putting to death of fifty-four missionaries in Shansi in 1900 is however recorded. The siege of the Legations by the Boxer fanatics at this time is outlined, but not the sack of Peking by the foreign soldiery afterwards.

With regard to relations with Japan, Dr. Williams apparently lacked the wide knowledge of the Island Empire which he possesses of China, and there are a number of striking errors. In comparing wage levels in the two countries, for example, he declared that "the difference. . . . is negligible," whereas in fact wages in Japan are double (or even treble) those in China. (Dr. Williams supports his statement by quoting wage rates for Japan in 1917 and China in 1922,—a most misleading comparison.) He also declares (more cautiously) that "it appears to have been a custom among them" (the Japanese) "to announce to the Chinese Government the accession of a new monarch and to accept investment from China." This is quite erroneous, as is also the statement with regard to Korea that Hideyoshi, who tried to subdue this country, "was defeated by the skillful strategy and superior seamanship of a Korean admiral." In fact the Japanese ravaged most of the peninsula until famine forced them to withdraw.

Recent Developments

Minor criticisms of this kind do not affect the general value of this excellent work, and it is to be hoped that these shortcomings may be remedied in future editions. With regard to recent developments, however, there are some serious errors, and it is unfortunate that Dr. Williams tried to bring his book so completely up to date without, apparently, possessing complete information and understanding of the changes of recent years. There are three chapters covering the last three decades. "The Era of Reform" is good. "The Setting Up of the Republic" is quite fair. "The Struggle for Democracy" is full of errors.

A striking error touches upon conditions in pre-revolutionary China, with regard to which period Dr. Williams is usually very careful and accurate. In speaking about the abolition of slavery, he mentions three kinds of slaves: "(1) household servants sold into slavery by parents or guardians, and descendants of such slaves; (2) serfs attached to the estates of Manchu nobles. . . . . (3) criminals sentenced to military servitude in punishment for crime. In this class descendants of such criminals were inc'uded."

Here there are glaring inaccuracies. Firstly slavery was not hereditary as here stated. Further, one of the most important categories of slaves—here omitted—are the prostitutes. Finally, in view of the continuing traffic in slave-girls—both for domestic service and for prostitution—it is quite misleading to say as Dr. Williams does, that "since the establishment of the Republic, of course, no form of slavery is tolerated by the law."

The Struggle for Democracy

In the period during and since the Great War Dr. Williams' personal prejudices are clearly stronger than his judgment. With regard to the "Twenty-One Demands" he declares that

> "China for centuries had been taught the foolishness of war. The military art had been neglected. Military officers were despised by civil officials. The Confucian classics taught in the schools emphasized the doctrine that if the government is just it will meet with just treatment. But here was a situation for which such teaching made no provision. China was helpless and had to submit....."

But when, less than two years later, Sun Yat-sen, supporting the party opposed to the war, "addressed a telegram to Lloyd George, protesting against the effort being made to induce China to declare war on Germany," Dr. Wiliams finds it necessary to explain that "Dr. Sun was born abroad and had spent most of his life outside of China, and he showed in this telegram how far he was from understanding the real feelings of the Chinese people." With all due respect to Dr. Williams (who I understand was in Washington at this time), I venture to doubt if "the real feelings of the Chinese people" underwent in these twenty-odd months such a fundamental transformation as he suggests. And when the Canton Government followed Peking in declaring war, it was clearly not a question of "unity of sentiment," but of the importance of having representation at the Peace Conference which they could not obtain by remaining neutral. China's subsequent treatment at Versailles is now a matter of history.

The Nationalists

Dr. Williams' general treatment of Dr. Sun and the Kuomintang elements becomes increasingly unfair and inaccurate in dealing with recent developments. The whole section dealing with China's internal history since 1920 might well be omitted. At the end it degenerates into pure fiction, and we are gravely informed that (in 1927) "repeated attempts were made both by the retreating and the advancing forces to enter the international settlement" at Shanghai, that "Chiang formed an alliance with his recent enemy, Sun Chuan-fang, and in May, 1927, was preparing to do battle with the Nationalists at Wuchang," that "on the 5th of March the *Pamiat Lenina*... was seized... at Tsingtao." And not a line about the retrocession of her concessions by Great Britain!

One paragraph is worthy of quotation:

> "The rise of Ts'ao K'un from the humble condition of a peasant lad, peddling notions on the streets of Tientsin, to that of President of the Republic of China, was something

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that caught the imagination of thousands. Nowhere save in the United States could such a change be paralleled."

In view of the fact that Ts'ao K'un's election as President was notoriously a simple matter of purchase, the parallel with American politics may be received with mixed feelings, whether or not fully appropriate.

The concluding chapters of the book, on "Foreign Trade," "Chinese Art," and "Chinese Literature" are excellent, and fully up to the high standard of the early sections.

HARRY PAXTON HOWARD

Son Of The Typhoon, by James W. Bennett Duffield and Co., New York, 1928, pp. 292. Price G. $2.

Dragon Shadows, by James W. Bennett Duffield and Co., New York, 1928, pp. 286. Price G. $2.

Mr. Bennett, who has lived some years in China and travelled extensively in the East, has recently added the above-mentioned interesting volumes to the several which have appeared from his pen during the past decade. *Son of the Typhoon* is the story of the off-spring of an inter-racial marriage. Hen-li, is the son of a masterful American sea-captain and the proud daughter of a worthless and impecunious mandarin. He spends his childhood in the patriarchal household of his grandfather in Foochow. Running away to Shanghai to avoid ill-treatment he meets the closest friend of his dead father and enters a mission school in Shanghai. His ability as a leader is shown first in athletic ability, and later is demonstrated in the Student Movement. The climax is reached in the Nanking Road incident of 1925 and the ensuing strike. The most nearly successful attempt to portray the Chinese student mind of that period that the reviewer has seen is to be found in this story. Incidentally, Mr. Bennett succeeds reasonably well in being impartial in his handling of Europeans, Americans, and Chinese. For this he is to be congratulated no less than for having written an absorbing story.

In *Dragon Shadows*, a volume of sketches and short stories, the author is no less happy than in his role as a novelist. Here there is much of irony, not a little of cynicism, a good deal of wit and more than a dash of the fantastic. The exhausted house-wife (if such there be) of the China coast and her husband the t.b.m. will find in these tales a number of explanations for their frayed nerves and run-down condition—witness e.g. *A Strange Mortality among Grandparents*. The sketches of *The Mixed Court*, and of *Tsu—and the Salt Cure* are interesting—even if they are not presented from the Nationalist point of view. *White Man's Burden* may be commended to Rotarians and Kiwanians. The consular crowd may enjoy *Rapprochment Diplomatique* (Mr. Bennett was once a Vice-Consul in Shanghai). Some of Shanghai's football players may—but probably won't—enjoy Football—Shanghai Variety. Seekers of hi-er learning may shudder to find what can happen in China even to a Ph. D. Public Health Officer—if there are such—should get a thrill out of *Heavenly Flowers*, and *Pestilence*. Some missionaries will enjoy *Loess*—which is probably the most artistic story of the collection—and dislike *The Lord's Vineyard*. Some will enjoy both as will most every one else.

H.F.M.

A Danish Book on East and West

"Oest og Vest" is a monthly periodical dealing with social, cultural and religious movements of the East and the West, with the manifold problems and spiritual currents of the modern world, both of the Occident and of the Orient, as also with the interrelationships of Europe and Asia in all their aspect. It is published in Danish for a Scandinavian public. Books connected with the Far East are requested to be sent to the Rev. Pastor Hans Magle, Brylle, pr. Knarreborg, Denmark, and all other books to Aksel J. Knudsen, Bredgade 120, Skern, Denmark.

Japanese Financial and Economic Annual

The Department of Finance of the Japanese Government has issued its twenty-eighth financial and economic Annual. It is a volume of more than 250 pages and gives statistics on finance, agriculture, industry, commerce, foreign trade, etc. all succinctly arranged and clearly presented.

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GOLD IN THE FAR EAST

(Continued from page 101)

Nothing can be more damaging to the gold mining industry as a whole than rapacious exploitation and the archaic system of the so-called "*zolotnicnnie raboty*", that is-tribute work. This scatters both money and labor over numerous irrational regions, ruins mines and helps conceal an enormous amount of gold from government control. It is therefore, in the opinion of the author, paramount for the Russian mining administration to direct all effort, not to an attempt to reach the pre-war level by the *old* methods of production, but to the attraction of extensive foreign capital for the purpose of introducing modern mechanical methods in the gold mining industry.

Negotiations relative to a number of concessions with foreign gold mining companies of world importance make it clear that in London, Brussels, New York and Amsterdam tens of millions of dollars could without much effort be found to introduce machine methods and establish dredging operations in various parts of the Russian Far East.

The employment to machine methods will not only open up new regions for the Russian gold mining industry, but will make possible the re-working of a good many abandoned mines, or the working of gold bearing areas which at the present time are not even taken into consideration.

It is sufficient to remember that gold-bearing alluvials are being profitably worked in California with the average contents of 0,001 Troy oz per cubic foot of the paystreak and burden. Quite different conditions are found in the Russian Far East. In the Russian Far East, alluvial gold mines with a contents of lower thain 20 dolies to 100 poods of sand and burden (12.9 grains per yard) were practically never worked, whereas in America placers with a contents of 3 dolies (0.7. grains) have been profitably worked. According to the figures given the author by Dr. E. E. Ahnert, the geologist, the following (enormous) minimal contents alone was considered sufficient to undertake the working of gold in the Russian Far East:

a/. *11 to 14 dolies to 100 poods* or 7.1 to 9.1 grains to cd. yard of the burden and gold-bearing sands for dredging works in Amur province as shown by the dredging practice on the Zeya and Harga rivers.

b/. *40 dolies to 100 poods* or 25.9 grains to cd. yard of goldbearing gravels for non-dredging work conducted under technical control of companies, and to which mines the supplies can be brought by water as, for instance, in the Lower Zeya and Lower Selemdja regions.

c/. *60 dolies to 1 zolotnik to 100 poods* or 38.8 to 62.2 grains to cb. yard of gold-bearing sands for the similar type of mines, but whereto the supplies are delivered by cart roads as most of gold mines of the Upper Zeya and Little Khingan regions.

d/. *Not lower than 1 zolotnik and 48 dolies to 100 poods* or 93.3 grains to cb. yard of gold-bearing gravels for the same type of mines in such remote regions as the Aldan-Tommot and other similarly remote gold mines, which cannot be reached with supplies but by difficult pack-horse mountain trails.

How great is the waste of good gold-bearing grounds of the Russian Far East, may be very eloquently represented by the following table, giving the minim contents in gold of placers workhble now in the Russian Far East comparatively with the normal dredging work in California:

Table 16

Regions and types of gold mines	Gold contents. Minimum required for the placer to be workable	
	Grains per cubic yard.	U. S. $. per short ton.
California dredging enterprises, the lowest workable imnimum.....	1.9	0.05
Dredging work in Amur province 11 to 14 dolies to 100 poods ..... from	7.1	0.11
to	9.1	0.15
Common gold mines reachable by water 40 dolies to 100 poods.	25.9	0 64
Common gold mines reachable by cart roads 60 dolies to 1 zol. to 100 poods...from	38.8	0.96
to	62.2	1.57
Common gold mines in the remote regions reachable by pack-horse trails 1 zol. 48 dolies to 100 poods.....	93.3	2.35

As seen from the above table, only the choicest placer gold deposits have been worked in the Russian Far East, and the absence of sufficient ways of communication forces to neglect, without any doubt, the majority of the gold bearing areas of considerable commercial value.

The absence of railway communication with, for instance, that vast and rich Zeya region, caused to be abandoned a good many mines, actually considered, exhausted, but which could yet yield large profits if rationally worked. Besides the Zeya, several other of the Far Eastern gold mining centers are in the most urgent need of railway communication, and once several new lines are buit they will open up a great number of new gold-bearing ground, which at the present time does not attract any attention. The same must be said with regard to the needs of the Russian Far East in the extensive construction of good roads, and the modern development of the automobilism dictates the advisability to adapt them from the very beginning to motor-car traffic.

As it has been said somewhere above, the chief cause of the backwardness of the Russian gold mining in the Far East are the atrocious ways of communication, leaving nearly three-quarters of its territory beyond any possibility of use for mining. Once something serious will be done in that respect, there is everything to believe, that the Russian Far Eastern gold mining industry, considerable as is its actual size, may be far more greatly developed, in particular, if connected with the general rationalization of methods of mining. According to modest estimates of experts, the Russian Far East could easily produce as much gold as Transvaal, that is to say up to 280,000 kilograms annually, roughly valued at over Gold $.170,000,000.

Gold in China Proper

Besides Manchuria, gold exists and is mined from streams to some or other extent in China in the following provinces:

1. Chihli.
2. Jehol.
3. Shantung
4. Honan.
5. Kansu.
6. Sinkiang.
7. Szechuan.
8. Kiangsi.
9. Hupei.
10. Hunan.
11. Yunnan.
12. Fukien.
13. Kweichow

With few exceptions, according to the authoritative testimony of Dr. V. K. Ting, late president of the Geological Survey of China, alluvial gold occurs in China proper in recent alluvium and, as a general rule, the deposits are shallow and meagre. Ancient alluvium has been found at a few points in Szechuan, mainly on the Yalung river, where is situated the presently working Wali gold mine.

Gold-bearing quartz veins or sulphides in connection with various gangue minerals are often met with in northern provinces of China, but with the exception of Manchuria given little promise. In China proper, so far as information exists, the gold-bearing quartz fissure veins of Shantung province are the most important.

Gold has been produced in China since thousands of years ago. According to ancient Chinese literary sources, which speak of this as a fact of great importance, gold was mined in China under the Hia Dynasty 2205-1767 B.C. Gold as a measure of values existed already in 1091 B. C. when it was melted in the shape of a cube weighing one catty. The existeace of regular gold currency is also mentioned as in full force in 221 B. C. Since those times gold has been washed and washed again, numerous times in the same regions, such as Fukien and Szechuan.

At the present time the officially registered annual production of alluvial gold extracted in the above named provinces varies between 800 and 2,300 kilogramms. However, these official figures in China, as in other countries, are definitely underestimated, since the majority of Chinese gold mines belong to the provincial administration, are run by officials and the concealing of gold is carried on on a very large scale. Private Chinese gold mine owners, moreover, due to the great local and central government taxes and fees levied, conceal the quantity of their production in an incredible manner. We can therefore take the highest of official figures for our reckoning, that of 2,300 kilo grams for although officially this figure is given as a maximum, it is actually undeniably lower than the true figure.

The aggregate production of gold in China, according to the official information of the Geological Survey of China, was calculated for the year 1925, Manchuria included, at 197.900 taels or Chinese ounces*, which is equal to 7,381.7 kilograms. Since the information of this Survey regarding Manchuria is a good deal below actuality, being received only from the three most important gold mining companies, at Aigun, it is natural that the total for the whole of China is likewise underestimated. If we accept the author's figures for North Manchuria, given in Table 73, of 8,436 kilograms, with 100 kilograms for South Manchuria and 2,300 for China

*) Tael or Chinese ounce = 37.301 grams.

proper, the aggregate production of gold for the whole of China would be set, for the year 1925, at 10.836 kilograms.

Below are given brief outlines of the gold-producing provinces of China.

1.—*Szechuan.* This is the only province in China where gold is found in ancient gold-bearing alluvials, especially in the Wali district along the Yalungkiang, where the deposits were considered rich back in the times of the Ming Dynasty (1368-1643). After a long interval, work on them was commenced again and in the late nineties (1898) they were yielding up to 10.000 ounces of gold a year. Nuggets weighing several pounds have also been found there. In the same Wali district vein gold is likewise found and was at one time worked in the Maha vicinity, where gold-bearing quartz veins were found in gneiss and phylite. F. Mathieu, the geologist, who visited that region, considers these yein gold deposits quite promising under the modern system of working. They are definitely suitable for a large scale enterprise. At the present time there are in Szechuan about a hundred small holdings yielding an aggregate of as much as 5,500-6.000 taels or 199-224 kilograms of gold.

Here may be mentioned, that gold is said to be found in abundance in the *Muli* region, on the borders of Szechuan and Tibet, 70 and 90 miles from the towns of Yenyuan and Ningyuanfu respectively. All the rivers of that region, especially the Litang, carry gold and produce a considerable revenue for local semi-independent ruler and lamas.

2.—*Hunan, Kiangsi and Fukien.* In Hunan gold is found in gold-bearing quartz veins in gneiss and phyllite, mostly in the Pingkiang and Hweitung districts, where it is extracted annually to the amount of 4,000-4,500 taels or 149-201 kilograms. Of similar derivation is gold in Kiangsi and Fukien, where about 230-250 taels is obtained.

3.—*Honan and Hupei*—These yield asum total of 2,500-3,000 taels or 93-112 kilograms of gold extracted from alluvium of recent formation, though attempts have been made to work gold-bearing quartz veins as well.

4.—*Chihli and the Jehol* Special Administrative Area. Gold is extracted in Chihli Province from gold-bearing quartz veins found in gneiss and phyllite, the annual output being as much as 1,000-1,500 taels or 37-56 kilograms. The development of gold mining is possible in the Jehol Administrative Area especially in the districts of Chengteh, Fouhsin and Chaoyang. These localities were but slightly touched by ancient Chinese works and alluvial gold is frequently found there in quite workable quantities. At the present time the Japanese are taking an interest in this region and some prospecting it is said, is now in progress there. The Peking Geological Survey during the war sent an expedition to the region and this expedition established for abandoned mines the average contents of the gold bearing sands at 0,0029 Troy oz. 59.9 cents gold per cb. ft. So far, however, the annual registered gold output of Jehol amounts only to 800-1.000 taels or 30-37 kilograms.

5.—*Shantung.* It was at one time considered that Shantung province may prove of interest in regard to gold and the Germans commenced prospecting there, which, however were cut short by the war. Prior to the Germans some casual prospecting was there carried on even by the Russians. In Shantung gold occurs both in the form of alluvials and gold-bearing quartz veins. Vein gold is particularly in evidence in the *Chao-yang* region, south of Chefoo. There are located several gold mines, possessing wide fissure veins of economic value, found in older rocks. According to Mr. H. Foster Bain, some samples from the large Chao-yang deposits ran from 77 cents to $5.85 gold per ton, while selected quartz samples contained as much as $24.75 gold per ton. The Geological Survey of China considers the gold possibilities of Shantung worthy of serious study. At the present time the mining is confined to the gold-bearing alluvials of the *Yishui* region, and the total output of gold in Shantung amounts to no less than 2,500-3,000 taels or 93 to 112 kilograms annually.

(*To be continued next week*)

FROM THE CHINESE PRESS

(Continued from page 121)

Tuesday, March 12.—Gen. Ho Chien wishes to resign position in Hunan and Kiangsi.—Ge. Chu Pei-teh of Kiangsi returns to Nanchang after conferring with Chinag Kai-shek on stationing of Hunan troops.—Hsueh Teh-pi and party return from north after investigating famine conditions,—Chefoo region inactive, insurgents holding banks of Yang Ping river.—Standing Committee of C. E. C. dismisses enture Honan Provincial Party directorate.—Pei Tsung-hsi in circular telegram urges maintenance of calm attitude as regards Hunan matters, but points out that Wu-Han C.P.C. must abide orders of Nanking.—.—Dr. C. T. Wang states American government proposes to call internation conference with a view to ending consular jurisdiction in China before end of present year.

The Third Kuomintang Congress at Nanking

Both the *Kuo Min* and *Ta Chung* news agencies during the week have issued telegrams from Nanking giving details of preparations which were being made to hold the Third National Kuomintang Congress in that city starting March 15.

Delegates were stated to be arriving from various parts of the country and abroad and were being assigned to quarters specially prepared by the Central Party Headquarters for their accommodation in the buildings of the Central Military Academy.

Of the delegates only eighty-nine (89) are to be elected directly by the various Party Headquarters, one hundred and sixteen (116) selected by the Central Party Headquarters from twice the number of nominees of the various branch Party Headquarters and one hundred and fifty-one (151) designated by the Central Party Headquarters. For all practical purposes, the latter two classes of delegates are the same, they being those delegates whom the Central Party Headquarters can depend upon as being loyal to the Party and amenable to the Party's program as proposed by the Party leaders.

The Committee for the Examination into and Classification of Proposals was stated to be sorting out the large number of proposals which are pouring into the Capital daily.

Among the more importan was one submitted by the Judicial Yuan for the abolition of consular jurisdction and the establishment of modern prisons in China as well as the demarcation of civil and judicial administration in the Districts. Another proposal submitted by Hsiao Fu-chen, member of the Central Executive Committee, calls for the reorganization of the Kuomintang and the enhancement of the Party's authority. At a meeting of the Standing Committee of the Central Executive Committee March 17 Tai Chi-tao, President of the Examination Yuan, was appointed Secretary-General.

Dr. C. T. Wang Says Extraterritoriality Will be Abolished Before End of Year

Dr. C. T. Wang, Minister of Foreign Affairs, according to the *Kuo Min* news agency, stated recently that he understood that the American Government has been exchanging views concerning the abolition of Consular jursidiction in China which the other governments concerned.

"It is my belief that our new legal codes will be promulgated before January 1, 1930, and I expect that foreign Consular jurisdiction in China will be abolished before the beginning of next year," said Dr. Wang.

According to the Foreign Minister, negotiations for the conclusion of new treaties of commerce and navigation with Italy, Belgium, Spain, Denmark, Portugal, and other countries will be started by the National Government in the first part of next month following the conclusion of the 3rd National Congress.

The Sino-French treaty negotiations regarding Indo-China are almost completed, there being only one or two points remaining to be settled. It is believed that a draft of the proposed treaty will shortly be ready for submission to the Central Political Council.

Shanghai Kuomintang Urges that Woosung Be Built Up

The District Kuomintang of Greater Shanghai urges that Woosung be built up as a purely Chinese city and thus take away from Shanghai its importance. This suggestion and two others are contained in a circular recently broadcasted. It is also urged that no taxes be paid the Shanghai Municipal Council and that the three Chinese members and the six Chinese advisors to the Council refrain from participation in municipal affairs pending increase of the number of Chinese seats on that body. The circular among other things says:

"We Chinese should have a voice in the municipal affairs of Shanghai. The International Settlement is our ground and never did we sell it to any other country. As far as the payment of taxes is concerned, we Chinese contribute the lion's share towards the upkeep of the municipal administration of the settlement. Therefore, it is right and in order that we should have adequate representation on the Municipal Council. But due to the highly tyrannical measures of the foreign imperialists, we are no match for them and to claim by virtue of righteousness and justice the increase of Chinese seats on the Council would be quite as difficult as to fight with a tiger fro his skin."

BUILDING UP CHINA'S NATIONAL DEFENCE

(*Continued from page 94*)

had to bow to Manchu rule for more than two hundred years. At the same time, the Manchus adopted the tactics of poisoning the minds of the Chinese people by the awkward and dead art of writing the "eight legs" essays. The "pep" and spirit of the intelligentsia were thus systematically paralyzed until they were of little good except serving as Manchu puppets. The change of Manchu rule to republicanism is more apparent than real, and the same literati have continued to hold influence both as officials and as the gentry, always selfish and "yellow."

The racial spirit of the Chinese, though weak and to a certain extent paralyzed, never died among the masses. When Dr. Sun Yat-sen raised the banner of racial revolution, hundreds of young men willingly laid down their lives for the cause. This was a sign of the racial revival of the Chinese. The movement gradually gathered momentum, and in 1912, public opinion finally compelled the abdication of the Manchu throne. Although the nationalist spirit did not unify the country until seventeen years later, it has always acted as an unseen force in the check of alien oppression. The historic northward sweep of the nationalist army provides another evidence of the revival of martial spirit among the younger generation of the country. Thousands upon thousands of China's best youths perished willingly and bravely, because they believed that it was only by so doing that the nation could stand. There is no doubt that their heroism has produced effects upon the minds of Chinese youths, and will continue to do so until the lost spirit is fully recovered.

The full recovery of the martial spirit of the race is still remote. It would take years to undo the downhill work of the centuries. A new morale has to evolve, and to permeate the length and breadth of the country. The physique of the race has to be improved, and eugenics employed to make a better race. Without the realization of these fundamental changes, all armaments are useless in the hands of their users.

Thus it will be seen that the possession of the martial spirit is a prerequisite to national strength. This spirit, though beginning to recover is still weak and insignificant. Until its full recovery the nation is only founded on sand. In order to accelerate the development of this all important spirit and the building of national strength, we have to learn from those countries which have gone through the process. In Japan, military service is compulsory and universal between the ages of twenty and forty. Every boy is put through the mill of military training, and ground into a sturdy, courageous, and order-abiding soul,—a useful citizen, in war as well as in peace. In France, every boy is required to serve eighteen months in the army, and in this period the young man, whether a son of the president or of a "proletarian," goes through the severe training of soldiery. Reveille sounds at 5 a.m. in summer, 6 in winter. After hastily swallowing some bread and hot coffee while dressing, drill immediately follows. Then, a simple meal of soup, meat and potato, with some bread and cheese at 10, and more drill. At 5 p.m. the boy eats his "ragout" or stew, and after this, he may stroll in town until 9 when all must be back at the barrack. Thus every French boy is put through a course of training which not only makes him a good soldier, but also teaches him many spendid qualities, such as quickness of motion and perception, cooperation and team work, fine discipline and intelligent obedience, and many others which we do not find in the average Chinese boy. The military training has also helped to mold the physique of the French youth into a sturdy, well built, and handsome figure, full of vigor and "pep," adapted to all circumstances of life.

In France, compulsory military service has helped to visualize democracy. No "Big men," however important, are exempt from serving as subordinates. Mr. Briand, for instance, is only a private, while ex-President Poincare is a lieutenant. In the camps and barracks, men from all parts of the country, and all walks of life, are mingled as comprades. Regional and aristocratic feelings, are thus dressed out of the young soldier by democratic surroundings.

It goes without doubt that the kind of military training Japan and France give to their young citizens are splendid, and China must develop in the near future a national army founded along somewhat the same lines. However, it is practically impossible at the present moment to require military service from, or even to provide military education for all young citizens of the country, owing to the absence of organization facilities and insufficient number of trained instructors. On the other hand military training must be put through before it is too late, and this is high time to make a start. In the face of these circumstances, I would suggest making the experiment in the schools first. Organization of instruction and training is comparatively easy, and interference with the life of the student slight. Besides giving material benefits to the physique of the boy, it would also teach him discipline, order, team work, and stability, all of which the Chinese youth needs so sorely!

One of the immediate effects of military training upon Chinese students would be a divorce between studies and politics, which, I believe, all educators would be glad to see. Their patriotism and idealism would thus be conserved through healthier channels, so that when emergency calls for their discharge, they would not be caught unready. A solid course of military education would also help the students to realize cold realities, without which their sentimental idealism is totally useless.

The present moment would be a most inopportune occasion to consider the building of a strong navy, as the country is faced with more urgent problems, such as the disbandment of the surplus troops, unification of finance, building of communication systems, suppression of banditry, and many others, pending which any scheme of an expensive nature must remain untouched. Complete armament bringing up China's naval equipment to the standard of a naval power would require billions of dollars. To build a fleet equivalent to the Japanese navy would cost a least two and half billions, exclusive of naval bases and accessory industries. The construction of a battleship of the latest type costs around $75,000,000, while a heavy cruiser of British naval standard requires $65,000,000. Evidently China cannot launch upon any extensive scheme of naval equipment for the present.

On the other hand, conditions in the Orient are such that a strong navy is absolutely necessary. China is surrounded by naval powers who show no evidence of the desire to deal with her without the escort of gunboats. I say this particularly with reference to Japan, "whose national industry is war." Then, China has more than twenty million nationals abroad in European colonies, with important interests scattered all the way from Formosa to the Cape. Shall a government who calls itself the "People's Government" neglect to ensure the safety and protect the vital interests of its millions of loyal citizens abroad? Is the question is to be answered in the negative, then the building of a navy is an urgent necessity which should occupy the attention of the leaders of the government as soon as they are relieved of the anxieties of the present moment.

"The "yellow peril" has long been shown to be a myth, pure and simple. The Chinese has absolutely neither desire nor ambition for military conquests. Nor is he thinking about revenge. All what China demands and aspires is the right to live as an independent people. Whatever China may do to strengthen her national defence is for defence only. Chinese leaders sincerely believe that a strong and united China is necessary to the peace of the world, because a weak and "sphered" China always inspires international designs and counter-designs.

Sir Frederick Whyte Serves National Government Without Pay

Sir Frederick Whyte, whose appointment as Political Counsellor to the National Government was confirmed last week, has had a distinguished career. He is 46 years of age and is an M. A. of Edinburgh University, from which he also received the honorary degree of LL. D. as he also has from several American Universities. Sir Frederick is best known for his work as president of the Legislative Assembly, in India, from 1920 to 1925. He was one of the founders of the journal, *The New Europe*. He was formerly a member of the British Parliament and during the Peace Conference in Paris was special correspondent for the London *Daily News*. A fact which may not be generally known is that Sir Frederick is serving the National Government without remuneration, and in a letter which he has written to General Chiang Kia-shek he states that he considers the post of honorary political counsellor to the Government of the Republic of China no empty one, adding that he accepts the duties of the position as well as its honor. Sir Frederick also expresses thanks that President Chiang had respected his desire to serve without payment.

March 12 Is Observed as Anniversary of Dr. Sun Yat-sen

March 12, the anniversary of the death of Dr. Sun Yat-sen, founder of the Chinese Republic, was appropriately observed in Shanghai and throughout China. The Custom House and other Chinese goverment institutions were closed, as were the majority of the banks. Memorial services were held throughout the country under the auspices of the Kuomintang, features of which were the singing of the party song and the reading of Dr. Sun Yat-sen's will.

Chang Chung-chang Secures Another Adherent

Reports from Lungkow recently circulated by *Reuter* were to the effect that the former divisional commander, General Sun Tien-yin, a henchman of the ex-Minister of War, Chu Yu-pu, and the alleged robber of the Empress Dowager's tomb, had recently rejoined Chang Chung-chang. Chang and Sun conferred together at Tengchowfu on the question of arranging for the transfer of the 10,000 troops under his command at Changkiu, north-east of Tsinan, across Shantung to join up with Chang Chung-chang's forces.

A correspondent at Chefoo states that General Liu Chien-nien seems to be a very determined and fairly dependable fellow. Many have felt that he was not a true Nationalist as he has had executed and assassinated many political and military enemies. Many have felt that he is only allowed to remain in control here because the Japanese control of the Shantung railway has prevented the true Nationalists from coming in. However, the Chinese Chamber of Commerce would rather have him in Chefoo than any of the other Northern generals and the Consular Body find him better to deal with than any of the others that have been in control for a long time. He is a good disciplinarian, though very severe and drastic. His soldiers are certainly the best trained, the finest physical specimens and the hardest worked soldiers that have ever been seen in Chefoo.

A correspondent of the *N. C. D. News* at Kaifeng reports that there is an understanding between General Chiang Kai-shek, and General Feng, according to which all the Nanking forces that were in Shantung have been withdrawn down the Tsin-Pu line, and for many days the Kuominchun of General Feng had been passing along the Lung-Hai eastwards. It is said that their objective is T'aian. Not only have large bodies of infantry troops gone east, but also many large guns. The Mohammedan cavalry, under General Mah, are also moving eastwards.

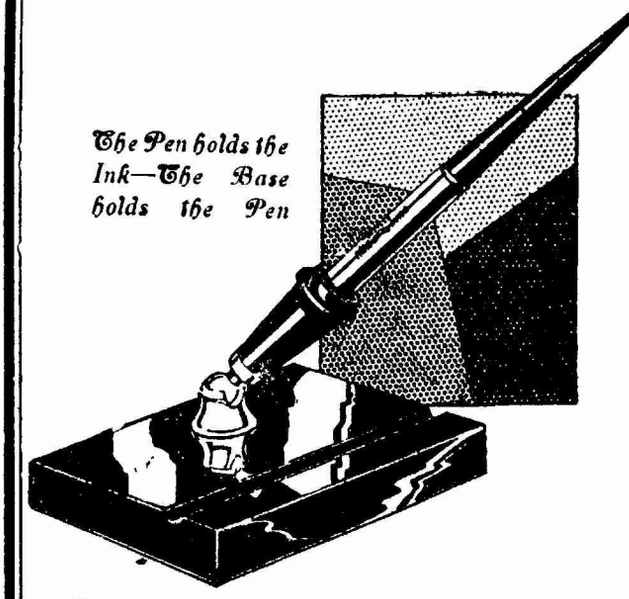
Will Hold Conference on Canton Port Development

Col. Irving C. Moller, engineer of New York, arrived in Shanghai last week and accompanied by Henry K. Murphy, architect, they departed for Canton where they will meet Ernest P. Goodrich who has been engaged by the Chinese Government to draft plans for the development of port facilities at Canton. Mr. Goodrich, who is an authority on harbor and port development, departed from New York several weeks ago and has traveled to China by way of Europe and India. On March 15, Messrs. Murphy, Moller and Goodrich were scheduled to attend a conference with Chinese engineers and officials of the Canton Government for the purpose of considering plans for the development of a deep-water port at Whampoa, Canton. Immediately following this conference they will return to Nanking for another conference in the National Capital on March 22 at which time plans will be definitely decided upon regarding the construction of the new National Capital. Mr. Goodrich is a native of Decatur, Mich., and a graduate of the University of Michigan. He was chief-engineer in charge of the construction of the Bush Terminals in New York and London.

In an interview pertaining to the development of plans for the new National Capital at Nanking, which was broadcasted by *Reuters* service on March 6, Mr. Murphy stated that the new buildings at Nanking would follow the Chinese style of architecture and probably would be limited to three stories in height. He stated that plans are being made for the development of a new city that will have a population of 2,000,000 and that sections will be set apart for residence sections, government buildings, business property and an industrial section. Theodore T. McCrosky, who is also associated with Mr. Murphy, is now engaged in the drafting of "interim laws" which are designed to protect the interests of property holders during the rebuilding of the city.

Civil Governor of Kwangtung Seriously Injured in Hongkong Fire

A fire broke out at the King Edward Hotel at Hongkong in the early hours of March 11, and as a result the greater part of the hotel was burned. Seven foreigners and six Chinese were either killed or seriously injured, most of the latter by jumping out of the upper stories. General Chen Ming-chu, the Civil Governor of Kwangtung, and his wife, who were staying in the hotel pending the departure of the ship on which they had booked their passages to Shanghai, jumped off from the second floor into a sheet held out by firemen and spectators. They had to be taken to hospital. General Chu was so seriously injured that his recovery will take at least a month.



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Argentine Government	6	Oct. 1,	1960	100	6.00
Australia	4½	May 1,	1956	85¾	5.52
U. S. of Brazil	6½	Oct. 15,	1957	93¾	7.01
Kingdom of Belgium	7	Nov. 1,	1956	105½	6.56
City of Budapest	6	June 1,	1962	80¼	7.60
Canadian Pacific Railway	4	Perpetual Stk.		84½	4.73
Chgo., Milw., St. Paul & Pacific Rwy.	5	Jan. 1,	2000	77	6.52
Chicago Rapid Transit Co.	6	July 1,	1953	89	6.95
Chile Copper Co. Debs.	5	Jan. 1,	1947	95¼	5.37
Chile Government (Railway)	6	Feb. 1,	1961	93¼	6.50
Cuba Northern Railway	5½	June 1,	1942	86½	7.11
Republic of Costa Rica	7½	Sep. 1,	1949	102½	7.26
Chile Government	6	Sep. 1,	1961	93¼	6.50
Cuban Dominican Sugar Co.	7½	Nov. 1,	1944	91	8.56
Kingdom of Denmark	6	Jan. 1,	1942	104	5.56
Dutch East Dadies	5½	Nov. 1,	1953	103	5.28
Republic of Finland	5	Feb. 1,	1958	87	6.50
French Government	7	Dec. 1,	1949	106½	6.44
German Government	7	Oct. 15,	1949	105½	6.52
German Central Bank for Agriculture	6	Oct. 15,	1960	85	7.21
German Central Bank for Agriculture	6	Apr. 15,	1938	88	7.89
German General Electric Co.	6	May 1,	1948	90½	6.90
Greek Government	6	Feb. 1,	1968	83½	7.28
Ilseder Steel Corporation	6	Aug. 1,	1948	84½	7.53
Kingdom of Italy	7	Dec. 1,	1951	96	7.37
Japanese Government	6½	Feb. 1,	1954	100⅜	6.47
State of Minas Geraes (Brazil)	6½	Mar. 1,	1958	93¾	7.01
Mortgage Bank of Chile	6	Apr. 30,	1961	91	6.68
Norwegian Hydro-Elec.-Nitro. Corp.	5½	Nov. 1,	1957	90½	6 22
Kingdom of Norway	6	Oct. 15,	1952	102¼	5.33
Northern Ohio Power & Light Co.	6½	Jan. 1,	1941	96½ (Bid)	5.93
Republic of Peru	6	Dec. 1,	1960	86½	7.08
Paris, Lyons & Med Rwy.	6	Aug. 15,	1958	99	6.07
Republic of Panama	5	May 15,	1963	93½	5.44
State of Rio Grande Do Sul (Brazil)	6	June 1,	1968	87¼	6.91
Rhine Westphalia Elec. Power Corp.	6	Aug. 1,	1953	92½	6.62
Saxon State Mortgage Inst	6½	Dec. 1,	1946	94½	7.02
Saxon Public Works, Inc.	6½	May 1,	1951	92⅞	7.12
Tokyo Electric Light Co.	6	Jun. 15,	1953	90¾	6.79
United Kingdom of Gr. Britain	5½	Feb. 1,	1937	104	4 89
City of Vienna	6	Nov. 1,	1952	86½	7.20
Abitibi Power & Paper Co.	6	Cum. Pfd. Stock.		86	6.98
Belgian Nat'l. Rwy. Pcptg. Pfd. Stock	6	(American Shrs)		83⅛	7.22
Cannon Mills Co. (Dividend $2.80 p. a.)		Common Stock		43½	——
General Mills, Inc.	6	Cum. Pfd. Stock.		98	6.12
General Mills, Inc. (Div. $3.00 per annum)		Common Stock		80½	XRts.
Hershey Chocolate Corp. Convertible	4	Pfd. Stock		82	4.88
Mohawk Carpet Mills, Inc. (Div. $2.50 p.a.)		Common Stock		77	——
Pennsylvania-Dixie Cement Corp	7	Cum. Pfd. Stock.		90	7.78
Willys Overland Co.	7	Cum. Pfd. Stock		100	7.00
General Motors Corp. (New)		Common Stock		82	——
Andes Coper Mining Co.		Common Stock		61¼	——
United States Steel Corp.		Common Stock		173½	——
Standard Oil Co. of New Jersey		Common Stock		49⅝	——
Standard Oil Co. of New York		Common Stock		39⅛	——
Pennsylvania Railroad Company		Common Stock		77	——
United Aircraft & Transport Corp. (p. v. $50)	6	Pfd. Stock		67	4.48
United Aircraft & Transport Corp.		Common Stock		85½	——

NOTE: The above quotations are received by Cable, and whilst believed to be correct, are not guaranteed.

Shanghai Exchange for Week Ending Wednesday, 6th March 1929,

Exchange:—The price of Bar Silver fixed in London yesterday, namely 26d. for both spot and forward deliveries, is $\frac{1}{16}$d. higher than on the same day last week. China has been both a seller and a buyer, while India has been holding aloof.

Transactions in exchange covering exports and imports have on the whole been moderate in volume, and until the political situation becomes clarified an improvement in trade generally is hardly to be expected.

Our local market closes steady to firm and the following rates for gold remittances are available T/T on London 2/6¾d., on New York 62⅛, Yen 72.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ..... Tls. 80,540,000 a decrease of Tls. 1,241,000

Chinese and Mexican Dollars..... 113,470,000 an increase of $3,500,000

Estimated value Tls. 162,238,000 as against Tls. 114,466,000 held at this time last year.

	Average rates for Feb.	Thursday Mar. 7	Friday Mar. 8	Saturday Mar. 9	Monday Mar. 11	Tuesday Mar. 12	Wed., Mar. 13
Bank's selling rates		opening closing	opening closing	opening closing	opening closing	opening closing	opening closing
T/T London	2/6 487	2/6½	2/6½	2/6½	2/6½	2/6⅛	2/6¼
D/Dfts ,,	—	2/6 9/16	2/6 9/16	2/6 9/16	2/6 9/16	2/6 9/16	2/6 9/16
4 m/s ,,	—	2/6¾	2/6¾	2/6¾	2/6¾	2/6¾	2/6¾
T/T India	168.950	169¼	169¼	169¼	169¼	169¼	169¼
T/T France	1,577.500	1580	1580	1580	1580	1580	1580
T/T N. Y.	61.681	61¾	61¾	61⅝	61¾	61¾	61¾
T/T On N.Y. Demand		61⅞	61⅞	61⅞	61⅞	61⅞	61⅞
T/T Hamburg R. M.		260	260	260	260	260	260
T/T H'kong	78.962	78¾	78¾	78¾	78¾	78¾	78⅞
T/T Japan	73.406	72	72¼	72¼	72¼	72⅜	72⅜
T/T Batavia	153.837	154	154	154	154	154	154
T/T Straits	91.500	91½	91½	91½	91½	91½	91½
Bk's buying rates							
4 m/s B/L. Cred. D/A	2/8.487	2/8½	2/8½	2/8½	2/8½	2/8⅛	2/8⅛
4 m/s ,, D/P	—	2/8 5/8	2/8 5/8	2/8 5/8	2/8 5/8	2/8 5/8	2/8 5/8
6 m/s ,, B/L Cred D/A	2/8 800	2/8 3/16	2/8 3/16	2/8 3/16	2/8 3/16	2/8 3/16	2/8 3/16
4 m/s B/F Cred D/A or D/P	1,647.500	1650	1650	1650	1650	1650	1650
4 m/s N.Y. Lcs	64.931	65	65	65	65	65	65
4 m/s ,, Doc.	—	65⅛	65⅛	65½	65½	65½	65½

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Mar. 7	Mar. 8	Mar. 9	Mar. 11	Mar. 12	Mar. 13
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	26	26 1/16	26	26	25 15/16	26
**New York Price of Bar Silver per oz. (Pure)	G.$.563/8	G.$.563/8	G.$.563/8	G.$.563/8	G.$.561/4	G.$.563/8
Shanghai Price of Gold Bars (weight Tls. 10 (Chau ping) 978 touch)	Tls. 352.90	Tls. 352.10	Tls. 352.30	Tls. 352.90	Tls. 352.60	Tls. 352.80
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	110.90	110.90	110.90	110.90	110.90	110.94
Shanghai Mexican Dollars per $100	71.9	71.85	71.8875	71.85	71.825	71.8125
Native Bank Rate of Interest (Call money)	Nil	Nil	1%	2%	1%	1%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	5½%	London Paris on	T/T 124.28
Bank of France rate of discount	3½%	New York on London	T/T 485 13/16
London open Market of Dis. 3 m/s	5 7/16%	Bombay on London	T/T 1/6
,, 4 ,,	5 7/16%	Hongkong on London	T/T 1/11⅜
,, 6 ,,	5 7/16%	Kobe on London	T/T 1/10 3/16